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PROGRAMME IMPLEMENTATION

SPECIAL PROGRAMMES

Assistance to National Liberation Movements recognized by the Organization of African Unity

Report of the Administrator

SUMMARY

By its decision 89/30 of 30 June 1989, the Governing Council of the United Nations Development Programme (UNDP) authorized the Administrator to continue to assist the national liberation movements (NLMs) recognized by the Organization of African Unity (OAU). The Governing Council requested the Administrator to ensure that the assistance extended to NLMs during the remainder of the fourth programming cycle (198,-1991) should continue to be guided by the provisions of the first programme proposal for UNDP assistance to NLMs approved by the Governing Council at its thirty-fourth session (DP/CP/NLM/I).

In the light of the independence of Namibia, the Governing Council further requested the Administrator to review the ongoing NLM programme in order to maximize funding that could be transferred to the technical assistance programme for an independent Namibia. This report deals with the assistance given to NLMs during 1989, taking into account the financial implications of the transfer of the NLM programme component for the South West Africa People's Organization (SWAPO) to the technical assistance programme for an independent Namibia.

I. REVIEW OF UNDP ASSISTANCE TO NATIONAL LIBERATION MOVEMENTS RECOGNIZED BY THE ORGANIZATION OF AFRICAN UNITY

1. The UNDP technical assistance programmes for NLMs have been operational (in a formalized manner) since 1974. Until the first proposal for a programme of assistance to NLMs for 1987-1991 was approved by the Governing Council in its decision 87/21 of 19 June 1987, NLMs received assistance on an ad hoc basis. Comprehensive structuring of technical assistance to each of the NLMs was introduced during the third UNDP programming cycle (1982-1986).

2. The assistance that the national liberation movements received from UNDP through the first and second programming cycles (1974-1981), was project specific. It responded primarily to the immediate needs of NLMs, in their countries of asylum and was limited to the provision of educational and health services. During the third programming cycle, an effort was made to conceive individual activities and projects of UNDP assistance within a framework of development planning.

3. In the third cycle, technical assistance projects supported by UNDP fell into three broad sectoral categories: education and human resources development; health services; and agricultural development and production. There was a marked difference among the categories within which assistance was delivered to the individual NLMs. THe South West Africa People's Organization (SWAPO) had a wider variety of projects than the African National Congress (ANC), and the assistance delivered to the Pan Africanist Congress of Azania (PAC) consisted solely of projects in the educational sector.

4. The fourth cycle (1987-1991) concentrates UNDP assistance mainly in four priority areas: (a) education and human resources development, for which 45 per cent of the available resources are allocated; (b) health services and health care infrastructure, with an allocation of 20 per cent; (c) development and planning, aid co-ordination and administration, with a share of 19 per cent; and (d) agriculture and food production, with an allocation of 9 per cent. There is a small allocation of 3 per cent of the indicative planning figure (IPF) for assistance in maintenance and repair services, and an unprogrammed reserve of 4 per cent.

II. NATURE OF UNDP ASSISTANCE IN 1989

5. During 1989, UNDP continued to extend to NLMs technical assistance within the priorities set forth in the first programme proposal for assistance to NLMs during the period 1987-1991 (DP/CP/NLM/I). The main emphasis of this assistance continued to be on the provision of educational and health services. Projects to provide repair and maintenance services were formulated and submitted for approval. The issues of the promotion of women and their involvement in the development process were discussed with NLMs; they were encouraged to submit proposals for assistance in this area, and one project is now under formulation with NLMs.

6. The main emphasis of the special assistance programme for NLMs continued to be placed on activities intended to do the following:

(a) Promote professional expertise and overall human resources development, through formal education and other types of training, aimed at assisting the individuals sponsored by NLMs in preparing themselves for eventual technical, managerial and administrative responsibilities in their countries of origin when conditions permit them to return there as full-fledged citizens;

(b) Foster among followers of NLMs a degree of self-reliance in countries of asylum in such areas of day-to-day existence as the administration and management of community services, including educational and health services, vocational training, agriculture and food production. This enables them to develop their present communities, as well as preparing themselves for eventual gainful employment and civic responsibility in their countries of origin.

7. The beneficiaries of UNDP assistance continued to be the same as those in previous years, namely, SWAPO, ANC and PAC. In April 1989, however, in the light of the forthcoming independence of Namibia, and, in accordance with the request of the Governing Council, in its decision 89/30, the NLM programme of assistance to SWAPO was scaled down; only projects of humanitarian assistance in educational and health services were continued on a limited basis.

III. SIGNIFICANT FEATURES OF PROGRAMME IMPLEMENTATION

8. As indicated above, the transfer of development assistance for SWAPO to technical assistance for Namibia was started early in 1989. New assistance to SWAPO was no longer approved and the implementation of all other projects for SWAPO was brought to a halt. In fact, most SWAPO followers had returned to Namibia for the elections of the Constituent Assembly and to resettle in their homeland. Only two projects were continued: one to provide education for children in Nyango, Zambia, and the other to provide health services to those children and their teachers.

9. Following the elections in Namibia it was agreed with the Namibian leaders that the two projects would be continued until the end of 1990 in order to allow the authorities of an independent Namibia to arrange for the resettlement of the children.

10. The mid-term review of the NLM assistance programme for the ANC and PAC components was conducted from 19 to 26 February 1990 at Dar es Salaam and Morogoro. It was held on the premises of the OAU Co-ordinating Committee for the Liberation of Africa at Dar es Salaam, at the Mazimbu and Dakawa settlements of ANC and at PAC headquarters at Dar es Salaam. Participants included representatives of ANC and PAC, the representative of OAU, representatives of UNDP from both the field office at Dar es Salaam and from UNDP headquarters in New York, representatives of the International Labour Organisation (ILO), the Food and Agriculture Organization of the United Nations (FAO), the United Nations Educational, Scientific and Cultural Organization (UNESCO), and the United Nations Industrial Development Organization (UNIDO).

11. At the review meetings, the representatives of ANC expressed their satisfaction with the nature of assistance given by UNDP, and were satisfied that in large measure the objectives of the projects under this programme had been achieved. It was agreed that assistance in the educational sector should be revised upwards since there were and would be, according to ANC, more students joining their training facilities in the United Republic of Tanzania.

12. It was further agreed that a number of pipeline projects should be approved for the balance of the fourth programming cycle 1987-1991. The projects would include an education orientation centre at the Dakawa settlement, support to health services in the United Republic of Tanzania and Zambia, assistance in the production and development of livestock at Dakawa, upgrading the repair and maintenance workshops in Dakawa and the strengthening of the ANC Vocational Training Centre in Dakawa. The variety of these pipeline projects represents the efforts of both ANC and PAC to diversify the programmes in order to comply with the priorities set up in the first programme proposal for 1987-1991. The ANC further indicated that they were considering a proposal for assistance from UNDP to establish an aid co-ordination and planning unit.

13. The representatives of PAC also expressed their satisfaction with the assistance given by UNDP for their development activities. All three ongoing projects, two in the educational sector, executed by the Office of Project Services (OPS) and one in food production and agricultural development, had achieved their immediate objectives. It was agreed that a further extension of the agricultural project would be approved as revised during the review. This would include training of PAC agriculturalists.

14. The largest single project, covering both NLMS, was in health personnel training. This was evaluated separately by two specialists, one provided by the Government of the United Republic of Tanzania and one by UNDP. The evaluation took place in October and November 1989. The two consultants concluded that the project was well conceived and formulated, and well-executed and managed by OPS and the Tanzanian project co-ordinator. It was further noted that the project had fully achieved its objectives and that the trained health personnel were in most cases subsequently deployed by their organizations. It was recommended that the project be continued, even though limited to ANC and PAC.

15. A full report of the mid-term review is available to members of the Governing Council as a separate, non-Council document.

16. The information necessary for winding down and transferring the SWAPO projects to Namibia, was obtained at a very late stage. It was therefore only possible to include the financial information on Namibia in the Administrator's report (DP/1990/37), which is available to the members of the Governing Council.

17. Apart from the two projects referred to in paragraph 8 above, all other approved SWAPO projects have been discontinued and final revisions are expected from the respective executing agencies. Two projects for SWAPO which were in the active pipeline at the end of 1988 have been cancelled, and their earmarkings on IPF have been reversed.

READEX FICHE

IV. ASSISTANCE TO NATIONAL LIBERATION MOVEMENTS IN 1989

18. Following the political developments in South Africa, resulting in negotiations for changes in the status of the liberation movements, the Administrator will provide the Council with additional information on UNDP assistance to the national liberation movements since the inception of the assistance.

19. Sixteen projects were operational under IPF funding for NLMs during 1989. SWAPO was the beneficiary in seven of the projects, with the reservations and limitations mentioned in paragraph 17 above. The ANC and PAC had three ongoing projects each, also covering all three NLMs. SWAPO, however, will no longer participate in these projects after 1 April 1989. The total commitments under IPF for NLMs amounted to $13.4 million.

20. The sectoral distribution of the projects continued to be the same as that in 1988. There were, however, changes in the numbers of projects and IPF allocations among the sectors. Following the winding down of most SWAPO projects, there remained seven projects in the education sector, with a total combined commitment of $7.0 million. At the same time, there were two projects in the planning and co-ordination sector, valued at $500,000; two in the health sector with a combined allocation of $3.1 million; and one in the agricultural sector with a budget of $900,000.

21. The active pipeline consisted of five projects with ANC and two with PAC. The estimated resources for the pipeline projects amounted to $2.8 million.

A. Joint assistance to all three liberation movements

22. During 1989, three projects were implemented for the three NLMs jointly. All three were executed by UNDP/OPS. The IPF funds allocated to the joint assistance projects amounted to $3.1 million. This figure is expected to decrease following the assessment of the impact of the withdrawal of SWAPO from the projects.

23. The project "Programming, Monitoring and Evaluation of Assistance to NLMs" (NLM/86/001) continued to provide NLMs with consultancies in the review of the NLM programme. It further provided assistance for monitoring and administration of the projects at the field level. The total budget for this project amounted to $377,000.

24. The project "Training of Health Personnel of the NLMs" (NLM/86/002) provided for 105 students from NLMs with training in selected medical schools and institutions in the United Republic of Tanzania. During 1989, 20 students completed their studies successfully. The withdrawal of SWAPO students had a major impact on the output level of this project; only 28 new students began their studies in 1989.

25. Project NLM/87/001 is intended to finance the participation of one representative from each of the NLMs to the sessions of the Governing Council. In 1989, only the PAC representative took advantage of this project; SWAPO had voluntarily withdrawn. Funds allocated to this project amount to $116,000.

B. Assistance to the African National Congress

26. All three ongoing ANC projects support educational services for ANC students. They are executed by UNESCO and the total IPF allocation amounts to $4.2 million.

27. During 1989, the project "Post-Secondary Education and Professional Training" (ANC/86/002) assisted 27 ANC students in their studies in post-secondary academic and professional learning institutions in Africa. By the end of 1989, 16 students had successfully completed their studies. The UNDP contribution amounts to $430,000.

28. The project "Educational Assistance to the Solomon Mahlangu Freedom College (SOMAFCO)" (ANC/86/003) provides financial support to teachers and students at this ANC central learning institution. The project assists both primary and secondary grades. Its main component is support to training which constitutes more than half of the UNDP contribution of $2.5 million. The annual enrolment at SOMAFCO is well over 1,000.

29. The project "Primary and Secondary Education for ANC Students" (ANC/86/006) supports more than 140 ANC youths in their primary and secondary level studies in six southern African countries, where they live in asylum. Seven pupils had completed their studies by the end of 1989. The UNDP contribution amounts to $475,000.

C. Assistance to the Pan Africanist Congress of Azania

30. The ongoing programme for PAC consists of one project in food production being executed by FAO; two projects in the education sector, executed by OPS; and one in health services, which is also being executed by OPS. The total UNDP commitment to the PAC programme amounts to $1.7 million.

31. The FAO project "Assistance to Food Production at Masuguru" (PAC/86/001) continues to support the agricultural section of PAC at Masuguru-Kitonga in the United Republic of Tanzania. In addition to one expatriate general agriculturalist, the project employs one United Nations Volunteer (UNV), who is a livestock production expert. It also supports two PAC agriculturalists and provides training to qualified PAC followers in farming and livestock management. The project eventually aims at self-sufficiency in staple and vegetable production and in livestock and small animal production for the PAC settlement. The total approved UNDP budget amounts to $950,000.

32. The project "Assistance in Post-Secondary Education and Professional Training" (PAC/86/002) supports 26 PAC students in advanced studies in AFrican countries. Six students completed their studies successfully in 1989. The total approved UNDP contribution is $182,000.

33. The project "Assistance in Primary and Secondary Education" (PAC/87/001) supports almost 100 PAC youths in their studies in established schools in five southern African countries where they live in asylum. The UNDP contribution amounts to $370,000.

D. Assistance to the South West Africa People's Organization

34. Assistance to SWAPO continued on a limited basis in the form of support to Namibian children in the ex-SWAPO settlements in Angola and Zambia. It has been agreed that education and health services will be provided until December 1990 to approximately 3,000 children. This assistance also covers financial support to the teachers and medical staff. The two projects for education being carried out by UNESCO had a combined budget of $275,000 for 1989. The OPS health services project had an approved budget of $125,000 for 1989.

35. Details of resource information and utilization of the special programme of assistance to NLMs during 1989 are given in tables 1 and 2 of the annex to the present report. A separate section of table 2 indicates the residual adjustments to the totals, owing to the inclusion of NLM projects for which final budget revisions have not yet been received.

V. RECOMMENDATION OF THE ADMINISTRATOR

36. In the light of the foregoing, the Administrator recommends that, taking note of the report and of the steps that have been put into effect to maintain the quality and degree of achievement of UNDP assistance to NLMs, the Governing Council may wish to authorize the Administrator to:

(a) Continue to assist with the maximum efficiency and flexibility possible within the mandate of UNDP the NLMs recognized by OAU;

(b) Ensure that the technical assistance to be given to ANC and PAC during the remainder of the fourth programming cycle until the end of 1991 shall continue to be guided by the provisions of the first programme proposal for UNDP assistance to NLMs approved by the Governing Council at its thirty-fourth session (DP/CP/NLM/I);

(c) Continue the orderly winding down of those projects for which Namibians are the beneficiaries in order to complete the transfer of the unused balances to the UNDP resources available for funding of the technical assistance programme in Namibia;

(d) Report to the Governing Council at its thirty-eighth session and subsequent sessions on trends, developments and the effectiveness of this assistance, as well as relevant issues pertaining to its implementation and management.

ANNEX I

ASSISTANCE TO NATIONAL LIBERATION MOVEMENTS

Table 1. Programme resource information

(US dollars)

I. RESOURCES		
IPF resources for fourth programming cycle		11 528 000 a/
IPF carry-over from third cycle		6 234 000
Total available resources		17 762 000
II. COMMITMENTS AS AT 31 DECEMBER 1989		
Prior year expenditures (1987-1988)	4 121 000	
Current year commitments (1989)	3 124 000	
Future commitments (1990-1991)	4 285 000	
Total commitments	11 530 000	
Earmarked for new projects	5 065 000	
Total programmed resources		16 595 000
III. BALANCE OF RESOURCES AVAILABLE FOR PROGRAMMING		1 167 000

a/ Includes 75 per cent of the additional IPF resources, according to Governing Council decision 88/31 of 1 July 1988.

Table 2. Programme resource utilization

(US dollars)

Project number and title	Actual expenditures 1987-1988	Approved budget 1989	Approved budget Future years	Total
I. ONGOING PROJECTS				
A. Joint assistance to all NLMs				
NLM/86/001 - Programming, Monitoring and Evaluation of Assistance to NLMs	184 000	118 000	76 000	378 000
NLM/86/002 - Training of Health Personnel of NLMs	696 000	381 000	1 515 000	2 592 000
NLM/87/001 - Representation of NLMs to Sessions of the Governing Council	18 000	56 000	42 000	116 000
NLM/88/001 - Preparatory Assistance for NLM Repair and Maintenance Projects	6 000	9 000	-	15 000
Subtotal, NLM	904 000	564 000	1 633 000	3 101 000
B. African National Congress of South Africa (ANC)				
ANC/86/002 - Post-Secondary Education and Professional Training	69 000	53 000	70 000	192 000
ANC/86/003 - Educational Assistance to SOMAFCO	562 000	452 000	383 000	1 397 000

Table 2 (continued)

Project number and title	Actual expenditures 1987-1988	Approved budget 1989	Approved budget Future years	Total
ANC/86/006 - Primary and Secondary Education for ANC Students	102 000	97 000	196 000	395 000
Subtotal, ANC	733 000	602 000	649 000	1 984 000
C. Pan Africanist Congress of Azania (PAC)				
PAC/86/001 - Assistance to Food Production at Masuguru	422 000	151 000	69 000	642 000
PAC/86/002 - Assistance in Post-Secondary Education and Professional Training	103 000	79 000	-	182 000
PAC/87/001 - Assistance in Primary and Secondary Education	104 000	110 000	154 000	368 000
Subtotal, PAC	629 000	340 000	223 000	1 192 000
D. South West Africa People's Organization (SWAPO)				
SWP/85/001 - Support in Community Health Services	456 000	3 000	-	459 000
SWP/86/001 - Namibia Education Centres, Kwanza-Sul	406 000	222 000	419 000	1 047 000

Table 2 (continued)

Project number and title	Actual expenditures 1987-1988	Approved budget 1989	Approved budget Future years	Total
SWP/86/002 - Namibia Education Centre, Nyango	307 000	265 000	411 000	983 000
Subtotal, SWP	1 169 000	490 000	830 000	2 489 000
Subtotal, all ongoing NLM projects	3 435 000	1 996 000	3 335 000	8 766 000
II. OPERATIONALLY CLOSED PROJECTS				
NLM/81/001	9 000	23 000	-	32 000
ANC/82/001	-6 000	-	-	-6 000
ANC/82/002	5 000	-	-	5 000
ANC/84/001	-5 000	-	-	-5 000
ANC/84/003	38 000	-	-	38 000
PAC/82/001	-3 000	-	-	-3 000
PAC/82/004	9 000	-	-	9 000
SWP/82/001	-10 000	-	-	-10 000
SWP/82/002	-74 000	-	-	-74 000
SWP/82/003	39 000	-	-	39 000
SWP/85/004	3 000	-	-	3 000
SWP/86/003	131 000	237 000	461 000	829 000
SWP/86/004	21 000	223 000	29 000	273 000
SWP/86/005	126 000	-	-	126 000
SWP/87/001	193 000	104 000	14 000	311 000

Table 2 (continued)

Project number and title	Actual expenditures 1987-1988	Approved budget 1989	Approved budget Future years	Total
SWP/87/002	210 000	541 000	446 000	1 197 000
Subtotal, all operationally closed NLM projects	686 000	1 128 000	950 000	2 764 000
Total, all NLM projects	4 121 000	3 124 000	4 285 000	11 530 000

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SUPPORT

PROGRAMME IMPLEMENTATION

SPECIAL PROGRAMMES

Role of the United Nations Development Programme in the implementation of the United Nations Programme of Action for African Economic Recovery and Development 1986-1990

Report of the Administrator

SUMMARY

The present report provides information on the role of the United Nations Development Programme (UNDP) in the implementation of the United Nations Programme of Action for African Economic Recovery and Development (UNPAAERD) and covers the year 1989. It updates the Administrator's previous report (DP/1989/22) and is in response to Governing Council decision 89/31 of 30 June 1989 which, inter alia, invited further initiatives and reporting on the following subjects: additional resources in support of UNPAAERD; reinvigorated initiatives for improved national planning capacity; greater use of African national expertise, sub-contractors, and sources of equipment; and evaluations of structural adjustment management projects, of National Technical Co-operation Assessment and Programmes (NaTCAPs) in Africa, and of collaboration between UNDP and Africa region agencies and economic organizations in the implementation of UNPAAERD.

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I. INTRODUCTION

1. As will be recalled, the General Assembly, at its thirteenth special session, adopted resolution S-13/2 of 1 June 1986 which established the United Nations Programme of Action for African Economic Recovery and Development 1986-1990 (UNPAAERD). That resolution, inter alia, emphasized the need to intensify economic and technical co-operation with African countries during and beyond the period 1986-1990; focused on a number of priority themes outlined in the Programme of Action; urged all Governments to take effective action for their implementation; and requested the specialized agencies and organizations of the United Nations system to participate fully in the implementation of the Programme.

2. The main objective of the resolution was to sustain concerted action by the international community in fullest support of the efforts of African countries to achieve economic recovery and development, as evidenced in Africa's Priority Programme for Economic Recovery 1986-1990, 1/ adopted by the Assembly of Heads of State and Government of the Organization of African Unity (OAU) at its twenty-first ordinary session, held at Addis Ababa from 18 to 20 July 1985, in which the Governments reaffirmed their primary responsibility for the economic and social development of their countries, identified areas for priority action and undertook to mobilize and utilize domestic resources for their achievement.

3. In a follow-up to the resolution, the Governing Council of the United Nations Development Programme (UNDP), in its decision 86/27 of 27 June 1986, authorized the Administrator to take appropriate action within his mandate in relation to the implementation of the Programme of Action and to report to the Governing Council at its thirty-fourth session. Subsequently, the Administrator presented reports to the Council at its thirty-fifth (DP/1988/24) and thirty-sixth sessions (DP/1989/22).

4. The present report is submitted in response to Governing Council decision 89/31, which, inter alia, invited further initiatives and reporting on the following subjects: (a) additional resources in support of UNPAAERD; (b) closer inter-organizational collaboration; (c) neutral relationships with the Bretton Woods institutions in Africa; (d) reinvigorated initiatives for improved national planning capacity and training in UNDP procedures; (e) increased support for Technical Co-operation among Developing Countries (TCDC); (f) continued efforts to facilitate the project approval process; (g) continued close collaboration between the two regional bureaux concerned with the implementation of UNPAAERD; (h) greater use of African national expertise, sub-contractors and sources of equipment; and (i) evaluations of structural adjustment management projects of the National Technical Co-operation Assessment and Programmes (NaTCAPs) in Africa, and of collaboration between UNDP, and the Economic Commission for Africa (ECA), OAU, the African Development Bank (AfDB), and African subregional economic organizations in the implementation of UNPAAERD.

5. With specific regard to the requested evaluations (see above), UNDP has taken extensive steps to organize these complex exercises for NaTCAP, the project "Social Dimensions of Adjustment" (SDA), and the inter-organizational arrangements, including: (a) the designs of the evaluations; (b) a consensus on the designs among the participating parties; (c) desk studies; and (d) in the case of SDA the

dispatch of field missions. As the main project "Structural Adjustment Advisory Teams" for Africa (SAATA) only took effect at the end of 1989, the evaluation will conclude early in 1991 when tangible outputs have been achieved. Accordingly, it is proposed to report to the Governing Council as follows: the SDA evaluation report will be presented to the Council at its thirty-seventh session; the NaTCAP and inter-organizational collaboration evaluation reports will be presented to the Council at its special session in February 1991, with a progress report to the thirty-seventh session; and the SAATA evaluation report will be presented to the Council at its thirty-eighth session.

6. A number of reports on issues involving the sub-Saharan region are being submitted to the present session of the Governing Council. Among the reports which might be specifically considered in conjunction with the present report are those relating to the following subjects: selected country programmes in the Africa region (DP/1990/39); mid-term review reports for the Regional Plan for Africa and various African countries (DP/1990/38 and addenda); the Transport and Communications Decade in Africa (DP/1990/32); Namibia (DP/1990/37); and refugees and displaced persons (DP/1990/66).

II. AFRICA REGION RESOURCE CHANGES IN THE CONTEXT OF THE UNITED NATIONS PROGRAMME OF ACTION FOR AFRICAN ECONOMIC RECOVERY AND DEVELOPMENT

7. The present section addresses the issues of UNDP resources available to the sub-Saharan Africa region in the fourth cycle, including additional resources arrived at and overall allocation by priority.

A. Resource profile and additionality

8. The UNPAAERD report to the Governing Council at its thirty-sixth session (DP/1989/22) assembled financial information on additional resources from all sources available to the sub-Saharan Africa region programmes in the context of UNPAAERD. Members of the Governing Council queried the extent to which UNPAAERD itself was the direct reason for the additionality described. In response, it was explained that: (a) the regional programme totally observed UNPAAERD priorities, and the country programmes reflected UNPAAERD priorities to the extent that each Government had so decided and had not used non-United Nations funding to address UNPAAERD priorities (for the most part the adherence of country programmes to UNPAAERD priorities was high, as the analysis below confirms); and (b) contributions to the programmes of the Africa region other than UNDP core funds had admittedly been made for a wide variety of reasons but it was a fact that contributions had continued to increase and that there was a strong statistical affinity with UNPAAERD priorities.

9. The main change in 1989 in the resources described in the above UNPAAERD report concerned the indicative planning figure (IPF) and the global supplementary allocations approved by the Governing Council in its decision 88/33 of 1 July 1988. Some 75 per cent of the supplementary allocation was made available

in 1988 and 1989 and the remaining 25 per cent was made available by Governing Council decision 90/3 of 23 February 1990; the cumulative effect for the Africa region was to increase the total IPF for the region from $1.2 to $1.4 billion.

10. The sub-Saharan Africa region also receives major funding from the Special Measures Fund for the Least Developed Countries (SMF/LDCs) ($23 million as at 1989), Special Programme Resources (SPR) ($13 million), the Management Development Programme (MDP) ($22 million), Government Counterpart Cash Contribution ($2 million), government and third-party cost-sharing ($79 million) and a variety of trust funds ($57 million). For 1988 and 1989 alone, an estimated $209 million was provided from UNDP associated funds, including the United Nations Sudano-Sahelian Office (UNSO), the United Nations Capital Development Fund (UNCDF), the United Nations Revolving Fund for Natural Resources Exploration (UNRFNRE) and the United Nations Development Fund for Women (UNIFEM). A further $265 million was available. from management services agreements (MSA) and special programmes for Africa. As the levels of the funds in the many "windows" this paragraph refers to are subject to frequent change, and as final delivery reports for 1989 were not available at the time of writing, updated information will be presented to the Governing Council at its thirty-seventh session.

11. Accordingly, the grand total of programme resources at the disposal of the region for the fourth programming cycle at present amounts to $2.1 billion. The sub-Saharan Africa region is now allocated the largest share of global UNDP resources, both IPF and non-IPF; as a percentage, the increase has been from 29.2 to 38.6 per cent of the total, with the second-largest percentage, (37.0 per cent) allocated to the Asia region. In 1989, new trust funds were created for Angola and Namibia and, as from 1990, resources pledged will be in addition to the grand total of $2.1 billion indicated above.

12. Meaningful investment figures are not at present available beyond 1988, but it will become possible in 1991 to assemble a profile of the investment commitments associated with UNDP activities for the entire UNPAAERD period.

B. Resource allocation priorities

13. A tentative analysis has been made of the allocations to the various subsectors of the Administrative Committee on Co-ordination (ACC) based on the combined total IPF expenditure in the Africa region for 1985 (total, $177.2 million) and for 1989 (provisional total, $380.6 million), a 115 per cent increase. This analysis covers only the 43 sub-Saharan countries and the Regional Programme for Africa, not the North African countries, and covers only approximately two thirds of all UNDP funding to that region. However, the figures do suggest some UNPAAERD-related trends worth reporting. The term "net" as used below represents changes above or below the main trend of the 115 per cent increase. Some 28 subsectors reflected increases, as listed below, under respective UNPAAERD priorities:

(a) Agricultural development: A net increase to the enhancement of support services, 100 per cent; and a slight net decline in crops, livestock, fisheries and forestry, but UNSO and SMF also address this priority;

(b) Sectors in support of agriculture: Net increases to the enhancement of transport policy and planning programmes, 461 per cent; land transport, 154 per cent; trade promotion, 736 per cent; and development finance support, 860 per cent. Factoring in Special Industrial Services (SIS) funding, manufacturing and industry support remained roughly constant, but tourism and service industries both marked an increase;

(c) Drought and desertification: This priority is subsumed in various ACC subsectors but if UNSO funding is factored in ($18.7 million in 1989), there was an estimated net increase in the range of 100 per cent;

(d) Human resource development: Net increases to the enhancement of housing and infrastructure, 95 per cent; health services, 275 per cent; disease prevention and control, 444 per cent; educational systems, 267 per cent; employment promotion, 54 per cent; and skills development, 85 per cent. UNSO also addresses this priority;

(e) Population policy: A net increase to the enhancement of population dynamics, 384 per cent. The UNFPA also addresses this priority;

(f) Popular participation: This priority is subsumed in various ACC subsectors, but as one indicator, net support to disadvantaged groups increased by 111 per cent. The priority is addressed by various funds;

(g) Integration of women: This priority is also subsumed in various ACC subsectors; it is also addressed by various funds, including UNIFEM ($2.5 million in 1989);

(h) Policy reform: Net increases to the enhancement of development strategies and planning 100 per cent; general statistics, 38 per cent; and public administration 39 per cent. This priority is also addressed by SMF, SPR, MDP, and the Special Action Programme for Administration and Management (SAPAM).

14. Reciprocal net or total decline in funding (sometimes compensated for by other funds) was observed for 27 subsectors, including the following: mineral resources, energy, air transport, settlements planning, environmental health; educational policy and planning, educational facilities, conditions of employment, industrial relations, mass communications, science and technology and meteorology. All other subsectors reflected the main trend of a 115 per cent increase. The classification used does not specially well reflect multisectoral activities, such as rural development, environmental management or urbanization, or some of the UNPAAERD priority themes, as indicated above.

III. CONTRIBUTION OF THE UNITED NATIONS DEVELOPMENT PROGRAMME TO SPECIFIC UNPAAERD THEMES

A. Contributions to the enhancement of policy reform, planning and management of structural adjustment

15. This section addresses the issues of support to structural adjustment management, relations with the Bretton Woods institutions and the reinvigoration of national planning capacities.

1. Overall orientation of policy reform approaches

16. The UNDP role in the enhancement of national capabilities for designing and managing policy reform and structural adjustment has rapidly become very important. The UNDP had already been invited to contribute to a number for initiatives prior to the time of the cluster meetings of the African ministers of planning in November and December 1988, under the Regional Bureau for Africa, and the follow-up joint meeting with UNDP resident representatives in Africa, early in 1989 (see also paras. 45 and 47 below). Clearly, the ministers were envisaging much more self-managed and more situation specific and sensitive approaches to policy reform, and, at their annual conference hosted by ECA, in April 1989, their endorsement of the ECA report (partly funded by UNDP) describing alternative approaches to structural adjustment reflects these aspirations. The UNDP was invited to continue to broaden and strengthen its support for policy formulation work, including work on the social dimensions of adjustment; to continue to support a revived planning process; to place greater emphasis on aid co-ordination; and to establish mechanisms for a regional exchange of dialogue on development experiences. The draft final report of the joint meeting of April 1989 was submitted to the Governing Council at its thirty-sixth session as an information paper.

17. On 10 May 1989, the Administrator of UNDP, the Director of the Regional Bureau for Africa and the heads of the special agencies and organizations of the United Nations system involved in structural change in Africa, in particular the Executive Secretary of ECA, and the President of AfDB, participated in a consultation hosted by the President of the World Bank to seek a consensus on United Nations approaches to structural adjustment. The final joint public statement emphasized in part that policy reforms, whatever their form, must be relevant to specific country situations and must be designed and implemented by the African countries themselves. Furthermore, the process of gaining public understanding and acceptance of the need for adjustment measures and economic transformation should be as broad based as possible within the countries concerned. Consensus was reached on the following:

(a) As the basic approach to adjustment issues has evolved, it has become clear that adjustment must be viewed as part of a long-term development approach and that it must take full account of the human dimension. The future challenge is for Africa to transform the condition of its economies from stagnation and decline to sustainable growth with equity;

(b) While sustainable economic growth is imperative, it is only the means to the higher objective of improving human welfare, for example, reducing infant mortality, increasing educational opportunity, improving health and ensuring food security. Economic adjustment must lead to long-term improvement in the quality of life of the African people, with special emphasis on protecting vulnerable groups and on employment opportunities;

(c) Weak institutions and the shortage of technical skills are major impediments to Africa's growth and development. Priority should be therefore given to human resource development and national capacity building;

(d) The sustainable development and modernization of agriculture is central to Africa's future growth. New and appropriate agriculture technologies and effective extension services should be pursued;

(e) Conserving Africa's natural resource base and protecting the environment are urgent priorities. No time should be lost in designing and implementing environmental action plans;

(f) The process of increasing and improving regional economic co-operation and integration in Africa should be accelerated;

(g) Promotion of the private sector is of vital importance.

18. Participants in the consultation agreed that weak commodity prices and terms of trade were continuing problems, that increased donor assistance was required to support the efforts of the African Governments and that substantial debt relief measures were needed.

19. In its resolution 44/24 of 17 November 1989, the United Nations General Assembly endorsed the alternative approach to structural adjustment.

2. Structural Adjustment Advisory Teams for Africa

20. Although the UNDP/RBA approved the SAATA project document in June 1989, the project did not become operational until October 1989, when its Co-ordinator was appointed. The Administrator therefore presents at this time a brief review of SAATA activities to date, and, as indicated in paragraph 5 above, has initiated an in-depth evaluation to be completed early in 1991. A report will be submitted to the Council at its thirty-eighth session.

21. SAATA was conceived because many African Governments had approached UNDP for assistance: (a) in enhancing their own capacities to formulate effective macro-economic policies; and (b) in defining specific macro-economic policy issues, such as optimum exchange rates, particularly when preparing for discussions and negotiations with the Bretton Woods institutions.

22. Since 1 October 1989, requests for assistance from SAATA have been received from a large number of African countries, requiring a revision of the project's

original operational intentions. It has now been decided to work with six requesting countries in the preparation of their policy formulation frameworks (PFPs) and macro-economic and sectoral policies. Among the countries tentatively chosen are Burkina Faso, the Central African Republic, Madagascar and the United Republic of Tanzania. The SAATA will also provide advice on specific macro-economic policy matters to a number of requesting countries, including Burkina Faso, the Central African Republic, the Comoros, Madagascar, Rwanda, Sao Tome and Principe and the United Republic of Tanzania.

23. The project's activities have now been extended to the entire African continent. Its mandate now embraces the full geographical area covered by UNPAAERD and by ECA and OAU.

24. To service the extended area adequately, the project will be staffed by a core team of six economists including the Co-ordinator. This team, three of whom have been recruited, will concentrate initially on the six target countries. With the assistance of consultants and institutions retained by SAATA, the team will also provide specific advice to other countries.

25. By the end of January 1990, SAATA had helped Burkina Faso and the Central African Republic to prepare PFPs; tendered specific advice to Madagascar on incentives to production for negotiations with the International Monetary Fund, (IMF); advised the Comoros on its PFP and on the viability and structure of its parastatal organizations; and advised Rwanda on the formulation of strategies for mobilizing external capital.

26. In various countries, SAATA has helped to establish national task forces, intended to tap the intellectual resources of as wide a range of sources as possible, to sensitize all sectors to the genuine need for structural adjustment and, most important, to internalize macro-economic policy formulation.

27. In addition, SAATA has agreed on programmes of work with Egypt, Ethiopia, Madagascar and the United Republic of Tanzania, covering the formulation of fiscal policies; determination of exchange rates; measurement of the impact of various exchange rates on various sectors, on different sections of population and on the economy as a whole; establishment of credit ceilings, effective interest rates and subsidies; provision of incentives to production; liberalization of trade; specific causes and consequences of inflation; external debt; the role of the informal sector; industrial development strategy; and the influence of various macro-economic policies on the social sectors.

28. The SAATA is also organizing training courses, seminars and workshops within and outside of the countries that are being serviced, both for individuals and for groups, and will, where desirable, tailor these measures to suit the specific requirements of the country concerned. Arrangements are in hand for the establishment of a range of courses at Oxford and Sussex universities in England, for anglophone Africa. Discussions are also being held with universities in France relating to courses for francophone Africa. The bulk of seminars and courses will be conducted at African institutions, however, as one method of enhancing African capacity to formulate macro- economic policies, (for example, a series of courses at the African Centre for Monetary Studies at Dakar).

29. It has been decided to locate the SAATA project headquarters in Egypt. The project works in close consultation with the outposted UNDP field economists in the Africa region. Both the World Bank and IMF have indicated that they welcome the project and will give it their support. The project also works closely with ECA and other agencies and organizations of the United Nations system and with AfDB.

3. Social dimensions of adjustment

30. The Social Dimensions of Adjustment (SDA) project was initiated in 1987 as a joint effort of a number of sub-Saharan African Governments, UNDP and AfDB, with the World Bank as executing agency. It was developed in the context of increasing concern over the impact of structural adjustment on vulnerable groups: (a) to enhance national capacity to formulate social policies, including assembly of data on socio-economic conditions; (b) to improve understanding of the implications and effects of structural adjustment policy packages; (c) to develop compensatory programmes to mitigate the transitional costs of adjustment; and (d) to expand institutional capacity to prepare, monitor and implement social action programmes.

31. The project was originally conceived for 10 countries, with activities at the regional level providing the framework for national efforts. In the past two years the project has evolved significantly in response to increasing demands and changing circumstances. Thirty countries are now involved. Furthermore, attempts are now being made to incorporate social issues ex ante into the adjustment process.

32. As indicated in paragraph 5 above, the Governing Council requested a mid-term evaluation of the SDA project. The nature of the project is still evolving; it deals with issues of pressing development concern for which there is little recorded experience. A mid-term evaluation had already been provided for in the original project document (RAF/86/037). The results of the evaluation will be presented orally to the Council at its thirty-seventh session and will be used as the basis for any necessary revision of the project.

33. The present philosophy and approaches of the project are as follows. Since the early 1980s, the economic and financial crises confronting the countries of sub-Saharan Africa have led to structural adjustment and policy reform programmes involving external assistance. The central objectives are to restore internal and external equilibria in the short term to medium term and to create conditions for self-sustained growth in the longer term.

34. Reviews of early experience have shown mixed results, especially in the least developed countries. In particular, there has been growing concern in the affected countries, and in the international development community, about the social costs of adjustment. There has been concern too at the relative inadequacy of national institu ional capacities for policy analysis, design and implementation to promote equitable development.

35. The SDA project has been conceived and designed in direct response to these concerns. It has two aspects. One relates to the protection of vulnerable groups of society from immediate welfare loss during the transitional period of adjustment; the other aims at ensuring an interactive, long-term participation of

the poor in the process of development and its benefits. To achieve its objectives, the project aims to strengthen institutional capacities: (a) to design and implement social policies and programmes; (b) to analyse the evolution over time of the socio-economic conditions of various population groups in response to measures of economic reform and to provide the basis for designing specific policy reforms and projects; and (c) to develop and maintain adequate information support systems.

36. Project activities fall into four main categories: socio-economic policy planning, priority social action programmes, policy analysis and studies and surveys and statistics for the establishment of data bases. For purposes of developing local capacities, these activities are to be supported by regional and national training.

37. Initial contributions of $10 million were received from UNDP ($5.0 million); the World Bank ($2.5 million, in kind); and AfDB, ($2.5 million). Contributions have also been received from Canada, Norway, Sweden, Switzerland and the International Fund for Agricultural Development (IFAD). Originally, the project was scheduled to run for four years.

38. Guiding the project is a Steering Committee under the chairmanship of UNDP, composed of representatives of Governments, international and bilateral donor agencies, UNDP, the World Bank and AfDB, assisted by a technical Working Group. So far, the Committee has met twice and the Working Group four times. Within the World Bank, the bank-wide Project Management Committee oversees the day-to-day execution of the project. Similar oversight arrangements exist within UNDP AND AfDB. An SDA co-ordination committee has been established at AfDB to co-ordinate AfDB involvement with the SDA project. To facilitate the ultimate establishment of an AfDA/SDA unit, AfDB has seconded a senior economist to the SDA Project Unit at the World Bank, and AfDB professional staff take part in World Bank and UNDP/SDA project-related field missions.

39. The existence of a separate project unit within each of the co-sponsoring agencies and the joint responsibility for the project's overall success call for close co-ordination and collaboration in the formulation and implementation of programmes and policy in the participating countries.

40. The SDA Project Unit in the World Bank's Regional Office for Africa in Washington, D.C., is responsible for overall project execution. The unit is tightly organized into task forces specifically responsible for operational, statistical, policy analysis and training components. It collaborates with the country teams and ensures that SDA activities are integrated into the overall strategies for individual countries. A much smaller unit operates in UNDP. It has lead responsibility for SDA activities in Niger and the United Republic of Tanzania. The AfDB/SDA co-ordination committee has been monitoring the project's activities and AfDB staff are participating in the development of the project's framework documents and in missions to participating countries.

41. As indicated above, the SDA project was planned to cover 10 countries in sub-Saharan Africa, in its initial phase. The lead role in collaborative exercise was assigned to UNDP in two countries and to the World Bank in the others. The

response to the project has been overwhelming. The number of participating countries has now risen to 30. The overall project costs, originally estimated at $44.5 million, are now approaching some $200 million, which is only for those 16 countries where projects have been appraised. Its full implementation is likely to extend well beyond four years.

42. The present status of the SDA project, at both regional and country levels, is reflected in the 1989 activity report and 1990 work plan of 20 February 1989, prepared by the SDA Unit. In addition, progress has been made in developing SDA country projects, incorporating the priority social action programmes in Niger and the United Republic of Tanzania, the two countries for which UNDP has lead responsibility.

43. The evaluation report will provide an independent and systematic review of the ongoing project and its design and implementation experience in relation to its objectives, to determine if the project approach remains valid and if its implementation is cost effective. The report will make recommendations for the future direction and management of this large and still evolving project, with a focus on its realignment and likely impact.

44. The field missions should be completed by early April 1989 and the final report should be completed for submission as an information paper to the Governing Council at its thirty-seventh session.

4. Reinvigoration of national planning capacities

45. In the Lagos Plan of Action, 2/ UNPAEERD, and in many other regional statements, African Governments have advocated measures addressing not only immediate constraints, but also encompassing longer-term requirements. The urgency of the immediate and the priority to be given to financial and monetary stabilization, have tended to obscure or delay measures addressing a broader set of factors influencing growth and development. At the joint meeting of African ministers for planning and UNDP resident representative in Africa, held at Addis Ababa, in April 1989, UNDP received a mandate to assist the ministers in revitalizing development planning and in making it into an efficient tool for socio-economic recovery.

46. For the last 20 years, UNDP has been supporting development planning efforts in Africa. From 1981 to 1988, UNDP allocated over $400 million for planning, statistics, public finance and demography throughout the continent. Present spending amounts to nearly $100 million a year. The Department of Technical Co-operation for Development of the United Nations Secretariat, one of the main executing agencies in this field, has been carrying out about 50 planning, statistical and public administration projects a year. The World Bank has also markedly increased its technical assistance in planning and public sector management, both through its loans for structural adjustment and as an executing agency for UNDP. The UNDP, through the Office for Project Services (OPS), is executing various planning projects. All of the relevant executing sponsors support sectoral planning - agricultural, industrial, transport, communications, health, education and so on. Bilateral programmes are also active in the field.

Thus, development planning is a large and growing component of technical assistance in Africa.

47. Until recently, however, no systematic or comprehensive assessment had been undertaken of planning concepts, methods and practices in Africa; their impact on decision-making affecting the national economy; their institutional and operational modalities and constraints; or the methodological and institutional measures required for improvement. Accordingly, in 1987, the Regional Bureau for Africa (RBA) of UNDP initiated studies of the development planning experience in Africa. In late 1988, a status report was submitted to the cluster meetings of African ministers for planning which led to the mandate referred to above. The present overview is essentially as follows.

48. Almost all sub-Saharan African countries have established a ministry of planning and have adopted development plans, usually for a five-year period. In some countries, the ministry of planning is also in charge of the investment budget, and of external aid co-ordination measures such as round-table meetings. With the economic and financial crises of the 1980s, however, the ministries of finance (and central banks) have become relatively predominant. Usually, the ministry of finance is the main interlocutor with the World Bank and IMF and is responsible for monitoring any structural adjustment programme (SAP).

49. Over the last 10 years, the role of the ministries of planning tended to decline relatively in terms of influence on economic decision-making. Development plans continued to be formulated and adopted but more often were regarded only as a formalistic document rather than an instrument for action. As a consequence, the capacities of many planning ministries were reduced, statistical data collections deteriorated, macro-economic analysis became less intensive, and sectoral programming became sub-optimal. Investment projects were not always solidly evaluated or considered in the context of their recurrent costs.

50. The UNDP was accordingly invited to assist Governments in addressing the following issues: (a) a review of the concepts and methods of planning, to revise them as necessary, for analysing, understanding and influencing the socio-economic reality; (b) development of the capacity to formulate socio-economic options and to measure their impact, for policy decision makers and for negotiation with external partners; and (c) enhanced institutional capacity building by shared common approaches and techniques. A regional project addressing these issues was approved early in 1990.

51. Although the project's most direct beneficiaries will be staff of the ministries of planning, it will also affect other key ministries, particularly the planning cells of sectoral ministries and the ministries of finance. Indirectly, the policy decision makers will come to have a better understanding of the impact of their choices, facilitating their socio-economic management and contributing to a common language betweeen the economic agents and a goal-oriented consensus.

52. The approach selected is for the project to act as a catalyst, not a substitute for any ongoing development activities. The strategy is to mobilize existing capacities and reservoirs of knowledge and experience and to arrive at fresh analytical and methodological approaches by means of seminars, workshops,

exchanges of experiences and discussions of research/evaluation materials. Using the UNDP analyses as a starting point, the project will invite specific contributions of the most qualified African specialists and practitioners, and of foreign research and aid institutions. The project will produce recommendations for interested Governments and aid agencies, and will eventually submit a plan of action to a proposed special meeting of the African ministers for planning.

53. One indicator of success will be the empowerment of the national specialists in respect to their economic and social development strategy and management. Self-management of activities by the Governments is essential for sustainability of the various efforts undertaken. At present, owing to the existence in all African countries of the necessary structures and institutions (ministries of planning and finance), counterpart support is not expected to be a problem.

B. Contributions to the enhancement of the quality, co-ordination and modalities of technical co-operation

54. This section addresses the issues of aid co-ordination, the NaTCAPs, the private sector, technical co-operation among developing countries (TCDC), women in development (WID), and the enhanced use of the resources of African countries.

1. Aid co-ordination and the Round Tables

55. The format of the Round Table was much enhanced in 1985 and, since that time, they have been organized at the request of the Governments of Chad, Mali, and Sao Tome and Principe (1985); Cape Verde (1986); the Central African Republic and Niger (1987); Burundi, Equatorial Guinea, Guinea-Bissau, Lesotho and Togo (1988); and Sao Tome and Principe (1989); with future Round Tables a possibility for Benin, Burkina Faso, Chad, the Comoros and the Gambia. The UNDP also participated in five consultative group meetings in 1989. The mechanisms of the Round Table and the Consultative Group have been extensively evaluated by the United Nations Conference on Trade and Development (UNCTAD) in the context of preparations for the Second United Nations Conference on Least Developed Countries, to be held in Paris, in September 1990; further improvements to the format may accordingly be anticipated, particularly in terms of systematizing the preparations and the follow-up, and possibly in their frequency.

2. National Technical Co-operation Assessment and Programmes

56. As has been previously reported, the National Technical Co-operation Assessments and Programme (NaTCAP) is a process aimed at strengthening the management and planning of technical co-operation resources by the recipient Government. The process results in a clear data base on technical co-operation; a policy framework for technical cooperation; and a priority technical co-operation programme for the country as a whole. Institutional capacity is thus enhanced for stronger management of technical co-operation. The NaTCAP concept was introduced in 1986 in response to the growing recognition that African economic recovery and long-term development depend on enhanced, more effective national capacity.

57. NaTCAP exercises were started in 1986-1987 on a pilot basis in 10 countries in Africa: Benin, Burundi, the Central African Republic, Ghana, Guinea, Guinea-Bissau, Mozambique, Swaziland, the United Republic of Tanzania and Zambia. An initial review of results was carried out in 1987. On the basis of these experiences, a methodology was arrived at in 1988. In 1989, 11 more requesting countries started NaTCAP exercises: Burkina Faso, Cape Verde, Chad, Ethiopia, the Gambia, Malawi, Mali, Rwanda, Uganda, Zimbabwe, and also Haiti. Another 12 countries are planning NaTCAP exercises in 1990, bringing the total to 33.

58. The methodology emphasizes, first, that the NaTCAP exercise should be a process directed by the Government. It is not a set of studies by consultants but a process of national analysis and consultations with donors on technical co-operation effectiveness, priorities and requirements. Second, it should arrive at clearly identifiable outputs, including the data base, the national policy framework and priority programmes. Third, it should involve not only the Government but also the donor community as a whole. Workshops on the new methodology were run in 1989 for: (a) resident representatives of participating countries; (b) executing agencies that need to be involved; and (c) government officials of participating countries. The methodology continues to evolve as UNDP experience grows.

59. In the 10 pilot countries (see para. 57 above), overall analyses of technical co-operation were completed. In Benin, Burundi, Ghana, Guinea, Guinea-Bissau, Mozambique and Swaziland, these analyses have led to a national policy framework, and in most cases, preparation of a priority technical co-operation programme is under way. A data base has been established in Benin, Burundi, the Central African Republic, Guinea and Guinea-Bissau. Of the 10 additional countries in sub-Saharan Africa which started the NaTCAP process in 1989, Cape Verde, the Gambia and Malawi have nearly completed the first phase of establishing a data base and preparing a national policy framework.

60. In some countries, the NaTCAP process will provide the framework for preparation of the UNDP country programme. The national policy framework and the technical co-operation programme identify priorities and needs towards which UNDP assistance can be channelled.

61. As indicated in paragraph 5 above, an evaluation of the NaTCAP process is now under way. The desk study will be completed by mid-May 1990. The field missions are expected to be concluded in the fourth quarter of 1990. The evaluation will, inter alia, cover the following elements: progress made in implementing the recommendations of the 1987 review; an appraisal of the NaTCAP methodology and its effectiveness; the pace and efficiency of executing NaTCAPs; dissemination of the NaTCAP concept; backstopping of the process with particular reference to resident representatives, field economists, national officials and specialized agencies and organizations of the United Nations; acceptance and internalization of the NatCAP exercise by Governments; institutional arrangement for carrying out the exercises; the effectiveness of executing modalities and possible alternative arrangements such as government execution; the impact of the NaTCAP exercise on planning, budgeting and aid co-ordination; and the financing of current and future NaTCAP exercises with regard to adequacy, cost effectiveness and benefits. The results of

the desk study will be presented to the Governing Council as an information paper at its thirty-seventh session, and the overall conclusions will be presented to the Council at its special session in February 1991.

3. Private sector

62. In 1988 and 1989, a total of 100 country meetings and 5 subregional meetings were held in sub-Saharan Africa and a further 20 to 25 meetings are anticipated in 1990. An RBA survey of the field offices on the focus and follow-up to such meetings, not complete at time of writing, showed that participation of both senior government officials and private sector representatives was good, and that the meetings have stimulated emerging activities in the areas of small and medium enterprise promotion, entrepreneurship and vocational training and enhancement of the policy environment. Mid-term reviews of the country programmes covered the assimilation of the new activities into the programmes, in those countries where it was financially possible.

4. Women in development

63. The Division for Women in Development (WID) of UNDP has carried out a questionnaire survey of field offices, regional bureaux and other headquarters units and funds, for the purpose of establishing a baseline data base to permit monitoring of the implementation of the UNDP and, for Africa, the UNPAAERD mandates for women in development. The Project Approval Committee (RBA/PAC) now reviews WID considerations in all projects submitted to UNDP headquarters for approval. With regard to the WID component in the Regional Programme, the unique and very important seven-project package was reported on to the Governing Council at its thirty-sixth session (DP/1989/22). In addition, one new project, "Support to Women's Credit Systems", was approved by UNDP/RBA in June 1989, and initiated immediately. Conceptually, the project is closely linked with an ECA-executed project which deals with women's participation and role in the informal sector. Another WID project, dealing with the training of women on new and renewable sources of energy is expected to start early in 1990. Two other projects in the active pipeline, addressing the questions of appropriate technological alternatives in agriculture and the advancement of women in scientific and technical fields, were referred to the fifth cycle for funding.

5. South-South Co-operation

64. During the 1980s, RBA approved over 120 projects with total UNDP contributions of $109 million in support of TCDC activities. By and large, the regional and interregional TCDC modality has proved to be highly effective. As a result of the 1988 series of seminars in Buenos Aires on food and agriculture, funded by UNDP, certain African countries have established very close links with their Latin American counterparts. For example, Zaire has been sending technicians to train in Argentina in the field of food technology. In addition, a number of African countries have established technical co-operation agreements with Brazil as a

result of TCDC activities funded by UNDP. There are also rapidly expanding UNDP/TCDC funded activities with Arab countries, including Egypt and Tunisia, and major TCDC activities with China.

6. Use of African expertise and resources

65. Greater use of African expertise, training centres and suppliers of equipment was requested at the joint meeting of African ministers for planning and resident representatives in Africa in April 1989, and by the Governing Council and various other bodies. The RBA will be carrying out a survey on this issue at field office and agency level in 1990 and examining appropriate measures in the context of the results. Some of the reports of the country programme mid-term reviews cover discussions of the issue that have taken place at the individual country level; other reports indicate that a high level of expertise has already been achieved.

IV. RELATIONSHIP WITH THE ECONOMIC COMMISSION FOR AFRICA, THE ORGANIZATION OF AFRICAN UNITY, THE AFRICAN DEVELOPMENT BANK, AND AFRICAN INTERGOVERNMENTAL ORGANIZATIONS

66. The RBA in the fourth cycle was the subject of a comprehensive mid-term review in the second half of 1989. The report of that review is being submitted to the Governing Council at its thirty-seventh session (DP/1990/38/Add.10). The report includes a description of the processes proposed for the evaluation (late in 1990) of the fourth cycle programme, and for the development (early in 1991) of the fifth cycle programme, intended for submission to the Governing Council at its special session in February 1992.

67. As indicated in paragraph 5 above, the Governing Council has requested an evaluation of inter-organizational relationships in the implementation of UNPAAERD. Envisaged for the second half of 1990 is a special sub-evaluation of UNDP relationships with ECA, OAU, AfDB, the Bretton Woods institutions and the African intergovernmental organizations that are a party to the Regional Programme. This sub-evaluation will be designed in full consultation with the participating bodies referred to above. The Regional Director for Africa will report orally to the Governing Council at its thirty-seventh session on the suggested approach and terms of reference for this sub-evaluation. The final report will be made available to the Governing Council at its special session in February 1991.

68. Accordingly, the present report covers only the relationships between UNDP and the organizations referred to above as they stand at the present time.

69. By the end of 1989, ECA was executing over 20 UNDP funded multisectoral projects valued at $24.3 million. Most of these projects are aimed at strengthening and supporting the technical activities of key subregional institutions and the river basin organizations. Three projects are specifically designed to monitor the implementation of UNPAAERD: monitoring development programmes and aid flows in Africa; monitoring and appraisal of the implementation

of UNPAAERD; and support to the secretariat of the Steering Committee of UNPAAERD. All of the UNDP/ECA projects address priority areas of UNPAAERD, such as food and agriculture, drought and desertification, human resources development, policy reforms and transport.

70. At present, direct UNDP support to OAU is channelled through two projects: the establishment of an African economic community, and strengthening the administrative and management capability of OAU. The current total UNDP contribution (1987-1991) to projects directly supporting OAU is about $7 million. Other projects administered by OAU total $8 million, and focus on biological control of food crop pests, veterinary vaccines production and quality control and implementation of the Lagos Plan of Action 2/ in the area of science and technology.

71. In 1986, AfDB and the International Finance Corporation (IFC), in collaboration with UNDP, established a $15 million African project development facility designed to help African entrepreneurs to undertake new and expanded small- and medium-scale enterprises. This facility continues to be the core activity between UNDP and AfDB.

72. With regard to the African intergovernmental organizations, their relations with the Regional Programme have passed through several phases, related primarily to the following two factors: (a) the declared intent of the fourth cycle programme to move away from general support of the broad secretariat activities of the intergovernmental organizations towards more specific objectives, such as increasing production in the agricultural, industrial and energy sectors; and (b) the protracted period spent on appraisal and reformulation of many of the project requests of the intergovernmental organizations.

73. Although taken only after extensive consultations with African Governments and intergovernmental organizations and supported by the Governing Council, the decision to move away from institutional support for these organizations - many of which faced rather severe financial problems - did not win ready acceptance in its execution. Certain organizations did not fully accept the rationale, while others considered its implementation to be premature. The latter group, while agreeing with the need for sustainability and self-reliance, felt that the UNDP five-year time-frame was too short, given the financial crises facing the region during this period.

74. Gradually, however, most of the intergovernmental organizations have accepted the UNDP position as based on a desire to enhance their credibility and viability as regional institutions explicitly supported by their member Governments, and have acknowledged that they would ultimately benefit from the reorientation of their UNDP-funded projects. In 1988-1989, UNDP sponsored a series of three seminars on its philosophy and procedures for senior intergovernmental programme staff. Following these seminars, and subsequent to the approval by mid-1989 of most of the intergovernmental pipeline projects, the relationship between UNDP and the African intergovernmental organizations has now entered a more forward looking phase.

V. OVERALL REORIENTATION IN SUPPORT OF UNPAAERD

75. There is by now complete internalization of the UNPAAERD priorities in the day-to-day workings of the regional bureaux and the field offices. Particular evidence of this can be found in the management plans drawn up by the regional bureaux and the management statements drawn up by the field offices, which cover actions affecting the fourth-cycle programmes and actions that will affect the particular emphases of the fifth cycle programmes.

76. The UNDP participated in all scheduled UNPAAERD meetings in 1989, including the scheduled meetings of the Steering Committee and of the Inter-Agency Task Force. The regional bureaux for Africa and for the Arab States and Europe collaborated on various UNPAAERD-related activities and are preparing joint reports under the work programme of the Inter-Agency Task Force which is co-ordinated by ECA. UNDP financial support to the UNPAAERD secretariat was extended to the end of 1990, and a routine, mid-term evaluation of this project will take place in the second quarter of 1990.

Notes

1/ A/40/666, annex I, declaration AHG/Decl.1 (XXI), annex.

2/ Official Records of the General Assembly, Eleventh Special Session, Supplement No. 3 (A/S-11/3), resolution S-11/4.

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OTHER MATTERS

The role of UNDP in combating the human immunodeficiency virus infection (HIV) and AIDS

Report of the Administrator

SUMMARY

The present document is being presented to the Council at its special session in 1990 in order to: (a) update the Council on the HIV/AIDS global epidemic; (b) report on steps that have been taken, in collaboration with the World Health Organization (WHO), to assist in the struggle against HIV/AIDS; and (c) indicate future actions which it is envisaged that UNDP will undertake to assist in the HIV/AIDS global epidemic. The report is also presented at this time to the Governing Council based on the firm conviction that no complacency in this struggle can be permitted and that UNDP should further expand its activities in dealing with HIV/AIDS.

INTRODUCTION

1. The Administrator has reported to each session of the Governing Council of the United Nations Development Programme (UNDP) since 1987 on the subject of the disease known as acquired immunodeficiency syndrome (AIDS) and the human immunodeficiency virus infection (HIV) and its importance to development. Decisions on this subject have been taken by the Governing Council at its thirty-fourth session (decision 87/28 of 19 June 1987) and at its special session in February 1988 (decision 88/5 of 17 February 1988).

2. The global epidemic of HIV infection is in its infancy. Since the last written report to the Governing Council on the subject of HIV/AIDS in February 1988 (DP/1988/1 and Add.1), the number of AIDS cases, i.e., people in whom the disease has seriously progressed, has continued to increase. By 31 December 1989, a cumulative total of 203,599 cases of AIDS had been reported from 152 countries to WHO. Taking into account the effects of less than complete case detection and reporting, as well as reporting delay, the world-wide cumulative total of AIDS cases at the end of 1989 is thought to be closer to 600,000. WHO has estimated that by the end of 1991, this cumulative global total of AIDS cases could reach one million or more. It has been estimated that some six to eight million persons are infected with HIV as of the end of 1989. It is also estimated that over one third of those infected are women and that the gap between infection rates in women and men is narrowing rapidly in almost all areas. Over half of these individuals are thought to be in developing countries. In sub-Saharan Africa alone, around 600,000 children have been born to HIV-infected women. One third or more of these children will be HIV infected but all of them will have at least one infected parent.

3. While some advances have been made in the treatment of persons infected with AIDS, there is still no cure. Education for changes in lifestyle continues to be the key to prevention. This, therefore, involves not only an intensification of research, but also the mobilization of a multiplicity of disciplines and resources in dealing with the prevention of the spread of infection and disease. Effective means must be found to bring about the required behavioural changes within groups and communities. Virtually no country and no region of the world is free from the HIV/AIDS pandemic. Its geographical spread has reached countries that were previously unaffected or only slightly affected. Efforts have been undertaken to attempt to quantify the social, economic, cultural and political implications of the complex HIV/AIDS pandemic, all of which point to massive dislocations in many countries - possibly affecting the very fabric of society. The already known and potential implications of HIV/AIDS for UNDP call, therefore, for even greater efforts by UNDP to combat this massive problem.

I. UNDP RESPONSES TO DATE

4. UNDP has provided assistance at the country and intercountry levels, in response to the global epidemic and has also provided direct support to the WHO Global Strategy for the Prevention and Control of AIDS. A fundamental advance in strengthening this assistance was the creation of the "WHO/UNDP Alliance to Combat

AIDS" (the Alliance) signed by the Director-General of WHO and the Administrator on 29 March 1988. This unique undertaking seeks to ensure co-ordinated, complementary and harmonious actions to combat HIV/AIDS by combining the strength of WHO as international leader in health policy as well as in scientific and technical matters relating to health and of UNDP as a leader in socio-economic development. In addition, advantage is being taken of the strength of the UNDP field establishment and, in particular, the role of its Resident Representatives as United Nations Resident Co-ordinators. The principal importance of the Alliance, therefore, essentially deals with action at the country level, but it also makes provision for practical regional and global UNDP support to the WHO Global Programme on AIDS (GPA). In addition to its responsibilities under the Alliance, UNDP is a member of the GPA Management Committee; a member of the United Nations Steering Committee on AIDS (convened by the Under-Secretary-General for International Economic and Social Affairs) and serves as Convenor of its subsidiary body, the United Nations Standing Committee on AIDS; actively participates in the GPA Inter-Agency Advisory Group on AIDS; and, at the request of the Administrator, has played a prominent role in many countries in World AIDS Day (1 December). Within UNDP headquarters, a number of senior staff members serve as focal points on AIDS for their individual bureaux or divisions. The Administration has designated the Division for Global and Interregional Programmes to assist in co-ordinating this management arrangement. UNDP has also actively participated in several international forums on this subject, including such global meetings as the First International Conference on the Global Impact of AIDS (London, March 1988) and the International Conference on the Implications of AIDS for Mothers and Children (Paris, November 1989) as well as numerous national and regional conferences under the sponsorship of governmental and non-governmental organizations (NGOs).

5. Although the WHO/UNDP Alliance to Combat AIDS was officially proclaimed on 29 March 1988, on an informal basis collaboration between GPA and UNDP field offices had begun at an earlier stage in several countries. During the summer of 1988 and 1989, two workshops took place at WHO headquarters, specifically devoted to the implementation of the Alliance. Included in each of the two workshops were national AIDS Co-ordinators, WHO Country Representatives and UNDP Resident Representatives from some 30 countries who, working together, analysed the practical application of the Alliance in their countries, and mapped out country strategies for its implementation. From the point of view of participants in these two workshops, they were considered useful in ensuring better co-ordinated action at the country level and in assisting Governments in more effectively implementing national AIDS prevention and control activities.

6. Approximately eighteen months after the proclamation of the Alliance, a comprehensive questionnaire was sent in October 1989 to all UNDP field offices, not only to obtain an assessment on a country-by-country basis of the effectiveness of the Alliance and to obtain information about ongoing or planned HIV/AIDS related activities in country programmes, but also to obtain an analysis of the potential impact of HIV on social and economic development.

7. Responses to these questionnaires have been received from almost all field offices and while they have, in general, reported that the Alliance has been an effective instrument in combating HIV/AIDS, there have been variations in the degree to which UNDP has been involved in ensuring the integration of national AIDS plans into overall development policies and priorities at the country level, in resource mobilization, in supporting programme development and delivery, and in minimizing the impact of HIV/AIDS on social and economic development. In almost all countries, there have been established, sometimes with UNDP assistance, multisectoral national AIDS committees. Generally, UNDP field offices have actively participated in monitoring and evaluating short- and medium-term plans and there has been active participation and, in some cases, clear leadership by UNDP field offices in round-table meetings at the country level to mobilize resources and to help ensure donor co-ordination. The provisions in the Alliance which call for administrative support by UNDP to GPA have also generally worked well in all instances where such support has been required. In some countries which have until recently been unaffected or only slightly affected by HIV, it was reported that it was too early to make an assessment of the Alliance, but even in these countries there was considerable awareness of the potential impact of HIV/AIDS.

8. In an increasing number of countries, country programmes have included HIV/AIDS components as either self-standing UNDP projects or as a component of ongoing UNDP health or education programmes. In many others, according to responses to the questionnaire, there are ongoing or planned country indicative planning figure (IPF) inputs to short- and medium-term plans for national HIV/AIDS control. According to information from WHO based on pledges by UNDP at the country level, during the course of in-country resource mobilization meetings during the period 1987-1989, UNDP has committed over $10.8 million either through the WHO Trust Fund or directly to the following countries: Benin, Burkina Faso, Burundi, Cameroon, Central African Republic, Chad, Congo, Ethiopia, Gambia, Ghana, Guinea-Bissau, Jamaica, Kenya, Lesotho, Liberia, Malawi, Mauritius, Mozambique, Rwanda, Senegal, Sudan, Swaziland, Thailand, Turkey, Uganda, Zaire, Zambia and Zimbabwe. In addition, responses to the questionnaire indicated that in these countries, as well as in another 10 countries, an amount of approximately $5.3 million in national IPFs for projects or project components dealing with HIV/AIDS had been earmarked or already committed. The questionnaire also revealed that in a number of countries projects were envisaged during the course of the next 12-18 months. These figures, while quite modest in comparison with the overall financial implications for Governments themselves in dealing with HIV/AIDS, indicate that the central planning authorities of a number of countries and UNDP have identified HIV/AIDS as having significant implications for economic and social development and that UNDP support is considered an appropriate method to deal with HIV/AIDS prevention and care. In addition, one innovative project, valued at $854,560, has been undertaken by the United Nations Capital Development Fund (UNCDF) in Rwanda to assist that country's Ministry of Health to strengthen its capacity to prevent HIV transmission through unscreened blood. This project will construct and equip a blood transfusion centre and supply HIV prevention medical supplies to NGOs, including sterilizable needles, sterilizers and rubber gloves.

9. The types of UNDP-supported activities referred to in the preceding paragraph differ from country to country, but they are all directed at supporting the short- or medium-term plans for HIV/AIDS prevention and control which Governments have established. In a number of countries, specific activities supported by national IPFs include: assistance in blood screening/transfusion, health education and communication, supplying consultants, support to NGOs, and support to Governments in the enhancement of management capacity to deal with HIV/AIDS. The questionnaire responses also indicated that even in those countries where, to date, UNDP national IPF resources had not been committed to HIV/AIDS prevention and control activities (either because of the lack of government requests, or the unavailability of resources at the current stage of many country programmes), UNDP offices had, in several instances, worked closely with WHO Country Representatives in providing logistical and other support to GPA in the preparation of short- and medium-term plans.

10. At the intercountry level, the Regional Bureau for Africa, the Regional Bureau for Asia and the Pacific and the Regional Bureau for Arab States and European Programmes have provided $620,000, $1,400,000 and $400,000 respectively through GPA. This money is being utilized to assist Governments in the respective regions to develop and initiate national short- and medium-term plans, to strengthen national planning capacities, and to conduct regional or subregional education and training activities. The Division for Women in Development has identified the epidemic as one of the emerging critical issues for women and children in the next decade. It has begun circulating relevant material and initiating discussions within UNDP on the nature of the global epidemic, on the way it has and will affect women and children and on appropriate responses to the situation. The UNDP global programme has provided $300,000 ($150,000 from the global IPF and $150,000 from Special Programme Resources (SPR)) to the GPA for unrestricted support and $700,000 ($350,000 from the global IPF and $350,000 from SPR) to GPA for support to initiate the Global Blood Safety Initiative. This endeavour, which is sponsored by GPA in association with the League of Red Cross and Red Crescent Societies, the International Society of Blood Transfusion, the Health Laboratory Technology Unit of WHO and UNDP, has as its overall objective the establishment of blood transfusion systems capable of employing quality assurance procedures (including screening) on a routine and sustained basis which will be able to reduce and eventually virtually eliminate the spread of HIV (and several other diseases) through blood transfusion. In addition, as foreseen in the Alliance, a reimbursable global IPF project of $2 million was approved by the Governing Council in February 1988 for a facility to bridge the time between firm pledges for external support (in particular, the point between the end of the support to national short-term plans and the beginning of medium-term plans) and the actual receipt of funds as pledged. This facility has been utilized by GPA in nine countries for a total of $1,987,800 and has proven to be a useful instrument in helping to ensure quicker implementation of programmes than might otherwise have been possible.

II. FUTURE DIRECTIONS

11. As was noted in the introductory paragraphs to this brief report, HIV/AIDS is expanding rapidly, it has no geographical or social boundaries, and its effects are bringing about devastating impacts on many developing countries. By the same token, HIV/AIDS is a global phenomenon and must be approached from a global perspective with broad strategic objectives. It is for this reason that UNDP is fully committed to the WHO Global Strategy for AIDS and to the purpose of ensuring a well co-ordinated response at the country, regional and global levels. It is also the view of both the Director-General of WHO and the Administrator that the Alliance has already provided an important policy framework for collaborative action. In the light of the growing magnitude of the HIV/AIDS pandemic, intensified support is both possible and necessary, particularly at the national level. Among the actions which UNDP has already initiated or will initiate during 1990 are the following:

(a) Seek to further sensitize both Governments and Resident Representatives to the developmental implications of HIV/AIDS, with a view to incorporating additional support to Governments in this area as new country programmes are prepared. The development imperatives are to minimize further transmission of the virus, to lessen the personal and social ramifications of HIV-infection and to assist Governments in forecasting and planning for the future social and economic impact of the global epidemic. The Administrator has already contacted all Resident Representatives to urge that, wherever possible, HIV/AIDS prevention and care activities be considered in fifth cycle programmes;

(b) Undertake a training programme in collaboration with GPA to ensure that UNDP staff are fully aware of the development implications of HIV/AIDS, including economic, sociological, cultural and humanitarian factors, as well as the variety of areas where UNDP can most effectively assist Governments. In many cases, such areas could include education and training, securing safe blood supplies, social welfare programmes, impact assessment, national planning, maternal and child health, reductions in occupational transmission of HIV/AIDS in health and other sectors, and of great importance, support within the framework of national AIDS programmes to community-based organizations that are engaged to assist in the prevention of further transmission of HIV and to provide care, support and treatment of affected individuals. On the basis of responses to the questionnaire mentioned above, another area where UNDP support has been useful has been in support to Governments in strengthening their national capacity and machinery to deal with HIV/AIDS. This includes increasing assistance to the health sector in which HIV/AIDS components could be included as part of other primary health care initiatives, such as maternal and child health and family planning. In this connection, efforts will be made, where necessary, to provide additional support to UNDP field offices to enhance their ability to assist in dealing with the pandemic;

(c) Encourage, wherever possible, additional UNCDF projects, such as that referred to in paragraph 8 above, as well as the use of United Nations volunteers who can provide appropriate and cost-effective assistance in a wide range of sectors and programmes;

(d) Collaborate with the Inter-Agency Advisory Group on AIDS and other organizations of the United Nations system in the preparation of a booklet on HIV/AIDS, intended, inter alia, for distribution to all United Nations system employees and their families. The same inter-agency body is also in the process of examining the many administrative and personnel-related policy issues raised by HIV and AIDS within the United Nations system for the purpose of achieving a position on these issues to be transmitted for consideration by the Administrative Committee on Co-ordination later this year for adoption and/or further action as appropriate;

(e) Pursue plans already initiated to commission an anthology of contributions of individuals from a number of developing countries about the HIV/AIDS epidemic in order to bring about a greater understanding of the economic, social and cultural implications of HIV/AIDS. It is hoped that this publication, which will be produced in collaboration with GPA, will have a broad public audience. It is also intended to assist in the sensitization process mentioned above for UNDP staff members. Contributors will be asked to reflect upon the possible future impact of the epidemic on their societies and to identify the implications of these consequences for development assistance. Preliminary discussions about the production of a film to accompany this publication have also taken place. If the foregoing plans materialize, extrabudgetary financial support will be required to support this endeavour.

12. In conclusion, it is the view of the Administrator that, while UNDP has made a contribution to the struggle against HIV/AIDS, much more should be done and advantage should be taken of every opportunity to assist Governments and, through them, institutions, organizations and individuals in meeting this challenge.

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SUPPORT

PROGRAMME IMPLEMENTATION

SPECIAL PROGRAMMES

Transport and communications decade in Africa

SUMMARY

This report is submitted in response to Governing Council decision 89/34 of 30 June 1989, on the First Transport and Communications Decade in Africa (UNTACDA).

To meet the requirement of the Council, the report: (a) reviews the progress made in the commitment of $US 5 million earmarked by the Governing Council for the First Decade, 1978-1988; and (b) provides an overview of the role of the United Nations Development Programme (UNDP) in the preparation for the Second Transport and Communications Decade in Africa, 1991-2000 (UNTACDA II).

I. ALLOCATION OF SPECIAL PROGRAMME RESOURCES IN THE FIRST TRANSPORT AND COMMUNICATIONS DECADE IN AFRICA

Introduction

1. By its decision 86/8 of 21 February 1986, the Governing Council earmarked $5 million for activities related to the First Transport and Communications Decade in Africa. In consultation with the relevant United Nations agencies and institutions, it was decided that this amount would be allocated equally between two projects ($2,500,000 each) covering two areas of concentration during the Decade, namely human resources development and the development of the manufacture of transport equipment. The following is an update on these two projects.

A. Human resources development

2. In 1988, UNDP and the Economic Commission for Africa (ECA) convened an Inter-agency Workshop on "Manpower and Training for the Development of the Transport Sector in Africa", at Debre Zeit, Ethiopia (24 to 26 May 1988), with the participation of several United Nations agencies and institutions, among which were the United Nations Conference on Trade and Development (UNCTAD), the International Labour Organisation (ILO), the International Civil Aviation Organization (ICAO), the World Bank, the International Telecommunication Union (ITU) and the International Maritime Organization (IMO). The workshop discussed a paper prepared by ECA and reached the following conclusions and recommendations concerning the needs of the transport and communications sector in Africa:

(a) At the national level there is a need to promote management capabilities and to develop effective manpower policies;

(b) At the regional level assistance should be provided to raise the awareness of African policy makers and managers in regard to employment policy issues and the reforms needed to promote human resources development and institutional performance. Human resources specialists should be more effectively trained through a co-ordinated regional approach;

(c) Training programmes and courses must be developed to meet the identified objectives of national manpower development plans in these sectors and be a part of an effective management tool which includes career development programmes and staff performance appraisal schemes;

(d) Manpower departments with overall responsibility for manpower development and training should be strengthened or established, where they do not exist, at operational and administrative levels;

(e) Some of the existing subregional training and advisory institutions should be reinforced as resource centres to produce training materials and train human resources managers and specialists. They should also give basic training capability to instructors operating in national institutes.

3. On the basis of the above conclusions and recommendations, $2,500,000 were earmarked from SPR funds so that comparative case studies focused on enterprise management and organization, and particularly on factors that assist or constrain human resources performance and manpower development in the transport sector in Africa could be prepared by specialized agencies of the United Nations. All transport modes would be reviewed. The results of the case studies would be analysed during subregional and regional workshops to be organized by ECA for transport managers and government officials to develop an institutional framework for human resources policy formulation and programme management within the various transport and communications establishments.

4. As agreed by the Inter-Agency Workshop (see para. 2 above), a package of seven projects submitted by the specialized agencies was approved by the Action Committee of UNDP on 3 May 1989. Following is the breakdown by subsector of the projects and their approved budgets:

Project	Agency	US dollars
Airport authorities and national airlines	ICAO	236 000
Road transport operators	ILO	320 000
National shipping lines	IMO	240 000
Telecommunications departments	ITU	300 000
Port authorities and forwarder/transport auxiliaries/multimodal transport organizations	UNCTAD	290 000
Railway and highway departments	World Bank	400 000
Regional transport institutions and workshops	ECA	714 000
Total		2 500 000

5. Before launching the field activities, a Steering Committee under the chairmanship of UNDP and comprising all the executing agencies, met in May 1989 in Geneva, to co-ordinate the approaches and establish common guidelines to undertake the case studies.

6. The Steering Committee held its second session in November 1989, in London, to monitor progress and adopt guidelines for the preparation of the modal summary reports on the case studies.

7. According to the work programmes adopted by the Steering Committee, all the modal summary reports should be completed by April 1990. It is expected that the Committee will hold its third meeting at Montreal in May 1990 to ensure harmonization of the outputs and to agree on the conception and organization of the regional and subregional workshops to be convened in September and October 1990.

8. An in-depth evaluation will be conducted at the end of 1990. The Steering Committee will hold its fourth meeting during the first quarter of 1991 to discuss

the conclusions and recommendations of the evaluation mission and to recommend follow-up actions to be executed within the framework of the programme for the Second Decade.

B. Development of the manufacture of transport equipment

9. In June 1988, ECA submitted a draft project document with a proposed UNDP contribution of $2,570,000 (exceeding the allocated amount by $70,000). Following a review by UNDP, it was concluded that the proposal should be reformulated to reduce the scope of the study and to improve its overall design. UNDP also recommended that ECA and the United Nations Industrial Development Organization (UNIDO) should co-operate in reformulating the project, taking into consideration other regional projects dealing with plant rehabilitation and expansion funded by UNDP and executed by UNIDO.

10. Following consultations among the representatives of UNDP, ECA and UNIDO, a tripartite meeting was held at Addis Ababa, in December 1989, to revise the project document on the basis of the recommendations made by the Technical Advisory Division (TAD) of UNDP and the Project Appraisal Committee (PAC) of the Regional Bureau for Africa (RBA). The revised project document was endorsed by RBA/PAC on 29 January 1990 and approved by the Action Committee on 7 March 1990.

11. The project is being executed jointly by ECA and UNIDO. Its objective is to identify, in selected African countries, 12 industrial plants, of which 6 will be selected for rehabilitation, upgrading and expansion, with a view to converting them into multinational transport equipment manufacturing units.

12. The identification and selection of the plants will be conducted in close consultation with the relevant Governments, the private sector and international financing institutions.

13. Once the pre-feasibility studies on the selected plants are completed and endorsed by potential partners, they will be included in the programme for the Second Decade to benefit from the structure and mechanism that will be set up to mobilize resources and promote implementation of the project.

14. The new approach adopted for the design and implementation of this project, which takes advantage of outputs already produced by other projects, has reduced the financial requirements to $980,000, leaving a balance of $1,520,000 against the amount of $2,500,000 initially earmarked for the project.

15. In consultation with ECA, the balance of $1,520,000 is being utilized to help finance the preparation of the programme for the Second Decade which was approved in January 1990 (see below).

16. Thus, the total of $5 million from SPR for the First Transport and Communications Decade in Africa has been committed.

II. SECOND TRANSPORT AND COMMUNICATIONS DECADE IN AFRICA, 1991-2000

Introduction

17. In its resolution 43/179 of 20 December 1988, the General Assembly, on the recommendation of the Conference of African Ministers of Transport, Communications and Planning, declared the period 1991-2000 the Second Transport and Communications Decade in Africa (UNTACDA II). In calling for a second decade, the Conference of African Ministers recommended that the interim period 1989-1990 be devoted to preparations for the Decade programme. UNDP was invited to provide assistance in this regard. In response to this invitation, RBA earmarked $2 million from the indicative planning figure (IPF) resources of the regional programme.

Preparation of the programme for the Second Decade

18. Pending the approval of a new project for the period 1990-1991, the RBA/PAC and the Action Committee approved a one-year extension (January-December 1989) of the project "Co-ordination of the implementation of UNTACDA" (RAF/82/008), with a budget of $736,000. With this assistance, ECA and the Inter-Agency Co-ordination Committee (IACC) for UNTACDA undertook a series of activities which led to the adoption of objectives, strategies and guidelines for the preparation of UNTACDA II by the Conference of African Ministers of Transport, Communications and Planning, held in Morocco, in November 1989.

19. During 1989, UNDP participated fully in all the activities carried out by the various bodies set up for the preparation of the programme for the Second Decade. These included the work of IACC which was charged with drafting the objectives and guidelines for the programme; the ad hoc committee responsible for the establishment of criteria for the selection of projects to be included in the programme; and the Resource Mobilization Committee, comprising representatives of other institutions (ECA, the World Bank, the European Economic Community (EEC), the Organization of African Unity (OAU) and the African Development Bank (AfDB)) to draw up the strategy for launching the Second Decade and to provide technical and financial guidance in the preparation and implementation of the Decade Programme.

20. During the Conference of African Ministers, held in Morocco, UNDP worked closely with government delegations, and representatives of ECA, the World Bank and AfDB to design UNDP assistance for 1990-1991 and to finalize the project document "Support to the preparation and launching of UNTACDA II" (RAF/89/016) which was approved by the Action Committee on 3 January 1990 with a total budget of $2,736,000, to be shared between IPF resources ($1,216,000) and SPR funds ($1,520,000) allocated to the Decade by the Governing Council.

21. In March 1990, the Steering Committee, comprising UNDP, ECA, OAU and AfDB, held its first meeting to select the project personnel and to draw up a programme of activities leading to the preparation of a programme for the Second Decade, to be submitted through the Economic and Social Council to the General Assembly at its forty-sixth session in September 1991.

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POLICY

PROGRAMME IMPLEMENTATION

IMPLEMENTATION OF DECISIONS ADOPTED BY THE GOVERNING COUNCIL AT ITS PREVIOUS SESSIONS

Government execution

Report of the Administrator

SUMMARY

This report responds to requirements set out in Governing Council decision 88/18 of 1 July 1988 which invited the Administrator to present to the thirty-seventh session of the Governing Council, a report containing specific proposals for the implementation of paragraph 31 of General Assembly resolution 42/196 of 11 December 1987 calling for further support and flexibility to facilitate government execution. The decision also called on the Administrator to report on the implementation and impact of the revised accounting, reporting and audit procedures.

In responding to the above requirements, the Administrator proposes a variety of policy initiatives for the consideration of the Governing Council. He has taken into account the legislative mandates contained in General Assembly resolution 44/211 of 22 December 1989 and Governing Council decision 89/20 of 30 June 1989. The directions to be considered include: (a) the pursuit of national execution as the "ultimate modality"; (b) the strong observation of the Administrator's full accountability; (c) involvement of the specialized agencies of the United Nations wherever feasible and desirable; (d) the shift from a project to a programme approach; and (e) increased decentralization to support development of national capacity.

I. BACKGROUND

1. In a formal sense, this report responds to requirements set out in Governing Council decision 88/18 of 1 July 1988. That decision, in line with a series of previous decisions, called for further support and flexibility to facilitate the government execution of projects; in addition, it specifically addressed issues related to the use of add-on resources and to the implementation of the revised accounting, reporting and auditing procedures.

2. While the Administrator seeks to meet those formal requirements, in the present report, he believes he would be remiss in his responsibilities if he did not take this opportunity to respond fully to the policy dialogue that has flourished during the course of the last year in a number of forums. Consideration of General Assembly resolution 44/211 of 22 December 1989, Governing Council decision 89/20 of 30 June 1989, the report of the Expert Group on the Study of Successor Arrangements for Support Costs and Related Issues (DP/1990/9), and the triennial report on operational activities 1/ of the Director-General for Development and International Economic Co-operation leaves the Administrator in no doubt that a watershed has been reached in regard to the expectations of Governments as to the future of national execution. The present report provides a summary of the Administrator's proposed policy initiatives as they relate to these developments.

II. POLICY FRAMEWORK

3. The legislative mandates contained in General Assembly resolution 44/211 and Governing Council decision 89/20 provide a clear statement of the views of Governments on the directions to be pursued. These include in the first place the pursuit of national execution as the "ultimate modality" for all activities supported by UNDP. Second, there is a strong reassertion of the Administrator's full accountability for the funds entrusted to him. Third, the partnership principle is reaffirmed, bearing in mind the need to redefine the participation of the specialized agencies and technical entities of the United Nations system in particular in the provision of technical support to Governments as requested by them. Fourth, a new focus is placed on the need for a shift from a project to a programme approach with a view to providing more programme oriented mechanisms that would allow for more flexible and effective support to national programmes. Finally, there is a clear call for increased decentralization and delegation of authority.

4. The Administrator believes that the significance and force of these policy thrusts lie in their cohesion as an integrated policy package. They will either prevail together or meander fruitlessly in isolation. A critical aspect of this policy framework is the reassertion of the Administrator's accountability for programme quality and financial integrity through increased attention to management, supervision and monitoring by the field offices. Whilst strengthening national capacities and skills in these areas would facilitate the accountability process, the responsibility of UNDP would in no way be diminished. The role of both the field and headquarters establishments would therefore be significantly

affected in ensuring and managing the accountability responsibility in an effective and efficient manner. Redefinition of the participation of the specialized agencies of the United Nations in particular in the provision of technical support is the strongest guarantee of a vital future for the United Nations operational system as a whole. The promotion of self reliance in a cost-effective manner requires new, more programme-oriented mechanisms that will enable a greater responsiveness to the needs of national programmes. Under the programme approach, there would be a significant reduction in the overall number of projects assisted by UNDP. The UNDP and Governments would therefore not be confronted with the potential difficulties associated with the implementation of 5,000 individual nationally executed projects. Finally, without decentralization, the system as a whole would have difficulty in fulfilling its obligation to be responsive to national programmes and requirements.

5. The interrelationship of these elements is complex but it is incontestable. The Administrator's proposals take as an assumption that these elements form an integrated policy package. In this connection, the Administrator wishes to stress that his recommendations in regard to national execution must be read in conjunction with his proposals relating to the successor arrangements on the issue of support costs. The two sets of proposals are inextricably intertwined.

III. PROPOSALS

6. In response to the policy framework described above, the Administrator is making a number of recommendations with regard to the future of national execution in relation to UNDP-assisted activities.

A. Definition

7. The terminology "government/national execution" was introduced in General Assembly resolution 44/211. To better reflect the diverse and flexible nature of government/national execution and the variety of ways in which projects are implemented, the Administrator proposes that the term "national execution" be adopted as has been done in the present report. The concept of execution denotes control, direction, supervision and legal responsibility for the selection, procurement and effective delivery of programme and project inputs and the achievement of the objectives of the programme or project.

8. In view of the emerging policy framework, the Administrator proposes that the official definition be revised to read as follows:

> National execution is a co-operative operational arrangement whereby the Government assumes responsibility for the effective management of all aspects of its UNDP-financed technical assistance projects and programmes as requested by it and agreed to by the United Nations Development Programme (UNDP). National execution recognizes the wide range of technical support possibilities, and encourages implementation arrangements that draw upon outside technical expertise and in particular, the specialized agencies of the United Nations. Under national execution, Governments are responsible for the

conduct of all project and programme activities including those implemented by the specialized agencies of the United Nations, the Office of Personnel Services (OPS) of UNDP, or other organizations or institutions on their behalf. Governments are accountable to the Administrator of UNDP for ensuring the most appropriate implementation arrangements, the quality of technical co-operation funded by UNDP and its judicious financial management.

9. The Administrator wishes to underline the distinction proposed between "execution" and "implementation". The Government is inherently responsible for execution. This primary responsibility having been affirmed, the Government and UNDP are then free to determine the elements of a mix of implementation arrangements which could involve governmental organizations and institutions (national and international), specialized agencies of the United Nations, UNDP/OPS and non-governmental organizations. Thus, while the responsibility for execution is uniquely that of the Government, implementation utilizes a broad range of national, international and multilateral institutions to achieve development goals. In this regard, the definition emphasizes the use of outside technical expertise and in particular that of the specialized agencies of the United Nations. The Administrator would also emphasize the significance of the concept of national execution for the future of participatory development. The concepts of local participation and grass-roots development with their focus on the alleviation of poverty, would not only be fully accommodated but would flourish more fully within the framework established by the principle of national execution.

B. Implementation timetable

10. Paragraph 28 of General Assembly resolution 44/211 calls on UNDP to present a three-year implementation schedule to implement the main actions called for by that resolution. In response, the Administrator proposes that all UNDP technical co-operation activities financed from country indicative planning figures (IPFs) initiated on or after 1 January 1992 should be nationally executed. The choice of this date would ensure consistency with the anticipated date for the implementation of the recommendations of the Expert Group on Agency Support Costs (DP/1990/9). Furthermore, the use of this data would provide an opportunity to synchronize the adoption of national execution with the next UNDP programming cycle.

C. Accountability

11. General Assembly resolution 2688 (XXV) of 11 December 1970, the consensus resolution, stipulates that the Administrator will be responsible and accountable to the Governing Council for all phases and aspects of the implementation of the programme. It further provides that every executing agent will in turn be accountable to the Administrator for the implementation of UNDP assistance to projects. It is a sine qua non that accountability presumes responsibility; yet with regard to UNDP-assisted projects the experience to date suggests a diffusion of responsibility in practice to the various partners in the system. Under national execution, Governments alone would be accountable to the Administrator for all aspects of project and programme activities, including those implemented by other organizations - public or private - within or outside the United Nations

system. The Administrator is convinced that this clarification would enhance the effective discharge of his accountability and in this vein would have a positive impact on the quality of the programme.

12. With the unambiguous assumption of responsibility by Governments, it would be incumbent on the Administrator to satisfy himself that the appropriate conditions exist in which Governments are able fully to discharge their accountability. The UNDP would respond to government needs for the establishment of appropriate execution capacity. Positive consideration would be given in particular, at the request of Governments, to providing assistance in the establishment of central management or support units within Governments to support programme and project implementation. OPS would continue to provide services as requested by Governments in this regard. Another route open to Governments would be to seek the required support from UNDP field offices. With the increasing shift towards national execution, Governments have sought the services of field offices in the provision of administrative and logistical support, procurement and personnel services for their multilateral programmes, in much the same vein as these services are currently being provided to other executing agencies. In providing such services at the field level, however, UNDP has taken care to ensure that governments/national organizations continue to be responsible for projects where they have been appointed as an executing agency, yet retaining the Administrator's accountability. UNDP has also ensured that its assistance enhances government capacity to assume full responsibility for such activities. In order to institutionalize these arrangements and enable Governments to utilize fully the services of the UNDP field network, field offices would provide the services mentioned above directly to Governments. The Administrator wishes to emphasize that the guiding principle in determining the precise arrangements established to enhance the capacity of national execution must be responsiveness to the specific circumstances faced by each Government.

13. Measures would be taken to maintain the Administrator's accountability, including UNDP responsibility for the appraisal and approval of all projects, as well as the provision of necessary assistance in project and programme management, particularly in those instances where the Government does not undertake implementation of the project in whole or in part by itself. The UNDP, in securing the best available technical services for the Government, would give preference to the specialized agencies of the United Nations.

14. Both General Assembly resolution 44/211 and Governing Council decision 88/18 point to the need for a simplification of procedures if national execution is to expand as a modality. In this connection, the Administrator notes that the current rules pertaining to project personnel, which constitutes the most significant component of technical co-operation, are highly complex and labour intensive to administer. Furthermore, against the background of evolving requirements and an increasing demand for short-term and technically oriented expertise, a remuneration package based on a career service concept is neither responsive to the needs of Governments nor to the needs of the experts themselves. Simpler and more flexible payment packages could substantially ease the burden placed on Governments in regard to the administration of international project personnel. The Administrator proposes that after consultation with the agencies, simplified payment packages

should be implemented in conjunction with the proposed adoption of national execution and the revised support cost arrangements.

15. The General Assembly, in paragraph 18 of its resolution 44/211, stressed the need to facilitate the mechanisms and procedures by which Governments are to be held accountable. This was also the main thrust of Governing Council decision 88/18. A study undertaken in 1987 on compliance with financial reporting requirements (DP/1988/19/Add.2) revealed overall delinquency rates by Governments of nearly 75 per cent. Consequences of this high rate of delinquency included, inter alia, an inability to record the true rate of programme delivery, excessive government operating fund account balances and an increased work-load in terms of the follow-up on compliance.

16. In January 1989, a revised, more simplified set of financial reporting procedures was put into effect. These procedures are designed to ensure adequate financial accountability by Governments, keep responsibility for expenditure certification vested in Governments, provide for a more appropriate way of recording expenditures and remove any impediments to increasing the use of the modality. The UNDP undertook a number of training and explanatory procedures throughout 1989 as part of the transition from the old system to the new and to help Governments and resident representatives better understand what was required of them. An analysis of compliance with the revised procedures shows a dramatic rate of improvement. For the second and third quarters of 1989, 81 per cent of Governments had complied with the reporting requirements. This accounts for more than 90 per cent of advances made to Governments.

17. The 1987 study (DP/1988/19/Add.2) also reviewed compliance with audit procedures and in this regard revealed overall delinquency rates by Governments of nearly 90 per cent. Because of the uncertainty of the integrity of the financial information, a major consequence of this high rate of delinquency was the qualification of UNDP annual financial statements. Effective 1 January 1989, UNDP issued a revised, comprehensive set of audit requirements that Governments as executing agencies should follow in order to provide UNDP with reasonable assurance that its resources are being managed in accordance with all pertinent financial regulations, rules and procedures. The UNDP undertook a major orientation effort in late 1989 and early 1990 during which a large portion of the audit staff was mobilized. Based on these efforts, the Administrator feels confident that a significant improvement in government compliance with the audit requirements will be achieved and he will continue to take the steps required to ensure that this is the case.

18. The work-load implications for UNDP headquarters and field offices of national execution are specifically treated in Governing Council decision 88/18. The work-load implications for UNDP headquarters with regard to the accounting and audit functions are dealt with in the Administrator's revised 1990-1991 budget estimates (DP/1990/65). With regard to the work-load of the field offices, a mechanism consistent with the decision reached on the successor arrangements (see DP/1990/9) for support costs would have to be determined to enable field offices to be responsive to needs generated by national execution. In this connection, both the basic structure and the managerial and supervisory capacity of field offices would be reassessed.

D. Programme quality

19. The objectives of national execution and the full utilization of national capacities are to ensure that programmes and projects are managed in an integrated manner, which promotes their long-term sustainability and wider impact on the development process. The issue of programme quality and its control therefore assumes special significance. In this context, the Administrator is also aware of the need under national execution to enhance and refine programme monitoring, reporting and evaluation procedures. He has taken note of the recommendations of the Expert Group on Agency Support Costs (DP/1990/9) relating to programme accountability. He particularly wishes to focus on the issue of an assessment of the impact of UNDP-assisted activities on the strengthening of national capacity. Appropriate adjustments would be made in UNDP programme procedures.

E. Add-on funds

20. Governing Council decision 88/18 requested the Administrator, together with Governments, to ensure a greater commitment to the use of add-on funds for the purposes specified by the Governing Council, including the meeting of costs incurred in complying with UNDP accounting, reporting and auditing requirements. Pending a final decision by the Governing Council on the structure of a new support-cost arrangement, the current arrangement, whereby support costs to Governments are made available by means of an add-on to IPF, should continue as a transitional measure. For this interim period, a procedure would be established that provides for advances of add-on funds, in place of the current system of reimbursements, for those Governments wishing to establish or strengthen their programme or project support structures. These advances would be reconciled against delivery.

IV. PARTNERSHIP

21. The concept of national execution fully recognizes the wide range of technical expertise available in the specialized agencies of the United Nations. It encourages implementation arrangements that draw on outside technical expertise and in particular the expertise available within the specialized agencies.

22. The UNDP would take the initiative in informing Governments of the technical expertise available and encouraging them to use the full range and depth of the expertise in the specialized agencies of the United Nations. In this connection, the Administrator is proposing the introduction of the concept of technical support services in his recommendations relating to support-cost successor arrangements. The Administrator is firmly convinced that the vitality of the technical capacity of the specialized agencies is an essential element in the viability of the United Nations operational system. As stated in General Assembly resolution 44/211 and presented in the study of the Expert Group on Agency Support Costs (DP/1990/9), the partnership principle would be strengthened and further revitalized through a redefinition of the participation of the specialized agencies towards the provision in particular of technical support to Governments as requested by them. The Administrator is committed to supporting this process. More details of the ways in

which he proposes to continue to fully involve the specialized agencies of the United Nations in national execution are contained in his recommendations relating to support-cost successor arrangements (see also para. 28 below).

V. PROGRAMME APPROACH

23. Since its inception, national execution as well as all other modalities of execution have delivered technical assistance through project mechanisms. The UNDP country programmes, while closely following the country's medium-term development goals, have largely comprised a variety of projects each with a discrete set of objectives. Project outputs and results have typically formed the basis on which the impact of UNDP-financed efforts has been measured.

24. With the underlying objectives of national execution geared towards strengthening government capacity to manage and co-ordinate development programmes, the mechanism or approach used to accomplish these objectives must in itself contribute to a process of internalization and in this way promote self-reliance.

25. Although many individual UNDP projects have met with success, the use of a micro-focused approach may not by itself help to achieve broader national development objectives, simplify development co-ordination or facilitate development planning and management processes. The use of a project mechanism may, in fact, strain programme level co-ordination and management resources. The proliferation of many projects can often drain rather than strengthen national capacity and weaken government ability to sustain technical assistance outcomes.

26. Where Governments have reasonably clear goals and targets to deal with sectoral or macro-level problems, national execution would best be implemented through the use of a programme approach as emphasized in General Assembly resolutions 42/196 and 44/211. The programme approach has also been described in some detail and strongly endorsed by the study of the Expert Group on Agency Support Costs (DP/1990/9). The establishment of sectoral policies and goals would provide the framework within which UNDP resources could be programmed. Within a particular programme, the concept of a project or subprogramme would be redefined in terms of a common set of programme objectives. Subprogramme activities would be carried out within the context of the overall programme.

27. National execution recognizes the sole responsibility of Governments for planning, managing and co-ordinating development programmes. It is thus the ideal modality for the use of a programme approach. It clearly facilitates Governments macro-level or sectoral-level planning and co-ordination efforts and enables them to maximize and direct all national capacity strengthening efforts to where they would have the greatest impact both in managing and sustaining the outcomes of development programmes. At the same time, it should be emphasized that the programme approach does not preclude activities in project form. Many specialized areas or specific development gaps would be best filled or addressed using project level efforts.

28. Programme-oriented technical co-operation calls for resources to be committed at a sector or subsector level, often complementary to national and other donor resources. The significant difference in the scale and purpose of the intervention implies a change from an essentially project-oriented culture to a programme-oriented one which requires considerable effort and investment to be sustainable and effective. Careful collaboration with national authorities, specialized agencies of the United Nations and other donors (multilateral and bilateral) is needed to produce useful sector analysis. Depending on the extent of participation in the sector, the volume of resources committed per programme would be significant by UNDP standards. The increased volume and the merging of these technical co-operation resources with other donor and national resources have significant implications for management and accountability. Supervision of implementation and performance would call for UNDP to utilize external substantive skills obtained either from the specialized agencies of the United Nations or from other international sources. Therefore at all levels of the programme cycle from identification, formulation, appraisal and approval to implementation, supervision and evaluation, UNDP needs to review afresh its substantive and financial policies and procedures, retrain its technical, managerial and administrative staff and utilize the best skills available in the specialized agencies of the United Nations. Preliminary work has already commenced in UNDP on identifying the work required. The Administrator would proceed with developing policies and procedures and consult with other donors, institutions and United Nations organizations and bodies which have relevant experience in this aspect of development co-operation.

VI. DECENTRALIZATION

29. Decentralization and delegation of authority are essential to ensure responsiveness to national requirements and cost-effectiveness. In this connection, the Administrator is proposing two specific measures in the present report.

30. In the first place, the Administrator would delegate to resident representatives authority for the selection of national execution as the modality to be used within the established approved ceiling. In view of the proposal that all country programme activities initiated in the fifth cycle should be nationally executed, it is no longer reasonable to maintain the current requirement for headquarters clearance of national execution as a modality. Second, the Administrator has issued instructions to resident representatives to explore with Governments the possibility of synchronizing the UNDP country programming cycle with the timing of the national planning cycle. In addition, the Joint Consultative Group on Policy (JCGP) 2/ plans to issue a request to its field representatives to discuss synchronization of programming cycles with the particular Governments concerned.

31. The Administrator will continue to review and implement any opportunities for further decentralization and delegation of authority to field offices.

VII. CONCLUSION

32. Government execution has been treated in the past as one of many execution options. In this sense, the concept of government execution was intrinsically no different from that of agency execution. However, since the mode of agency execution refers to a set of rules and procedures external to Governments, many were unable to comply with the administrative requirements. This led to both modest growth in government execution as a modality and to the setting up of special safeguards to protect the Administrator's accountability.

33. The concept of national execution is a reaffirmation of the fundamental principle that development is a national process. National execution is not one among many modalities but provides the very framework in which UNDP-assisted activities are to be understood. The significance of the distinction between responsibility for execution and implementation arrangements follows from this premise. General Assembly resolution 44/211 and Governing Council decision 89/20 call for a bold and concrete response from the United Nations operational system and from UNDP in particular. In setting forth the proposals contained in this report, the Administrator has attempted to respond to the policy prescriptions laid out in those resolutions. In so doing, he remains convinced that the principle of partnership remains as valid today for the vitality of the United Nations operational system as it did at the time of the consensus resolution (see para. 11 above). He is confident that his proposals relating to national execution will serve to reinforce his own accountability for the use of the funds entrusted to UNDP.

Notes

1/ A/44/324-E/1989/106 and Add.1-4.

2/ The United Nations Children's Fund (UNICEF), UNDP, the United Nations Population Fund (UNFPA), the World Food Programme (WFP) and the International Fund for Agricultural Development (IFAD).

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|SUPPORT|

PROGRAMME IMPLEMENTATION

EVALUATION

Report of the Administrator

SUMMARY

This is the seventh report responding to Governing Council decision 83/12 of 24 June 1983, in which the Council requested information on the arrangements for the evaluation of the programme. The report summarizes the results of the programme analysis undertaken by the Central Evaluation Office (CEO), as well as the steps taken to assist Governments to strengthen their capacity to monitor and evaluate their own development. The report also covers the steps taken by the Administrator to improve the programme through improved assessment of its quality and by feedback of the results into programme and project identification and management.

The report also includes the Administrator's response to the requests contained in decision 89/35 of 30 June 1989 to inform the Governing Council of his efforts to rationalize the management of the resources devoted to, and the usage made of, evaluation work at all levels in the system and to present proposals with regard to the organization of evaluation activities of funds administered by the United Nations Development Programme (UNDP). Finally, the report lays out the proposed work plan of CEO for 1990-1991, reflecting the strengthening of staffing recommended by the Administrator.

The attention of Council members is drawn to reports of programme achievements by regional directors for their respective regions with regard to any specific evaluation activities conducted by them.

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I. INTRODUCTION

1. The present report on evaluation responds to Governing Council decision 83/12 of 24 June 1983, in which the Council requested annual information on the arrangements for the evaluation of the programme. The report reviews the results of the evaluation work carried out in 1989 under the headings of programme analysis, integration of evaluation results into United Nations Developent Programme (UNDP) operations, system development within UNDP and strengthening the capacity of countries to monitor and evaluate their own development. In addition, the report contains the Administrator's response to the request contained in decision 89/35 of 30 June 1989 for proposals with regard to the organization of evaluation activities in funds administered by UNDP.

2. The principal substantive lessons that have emerged from evaluation activities of the Central Evaluation Office (CEO) lie in the areas of institutional development; involvement of participants in evaluation; in urbanization; and programme design and review. They are described in the body of the report, as is the outcome of ongoing work on strengthening the ability of countries to monitor and evaluate their own development.

3. Last year's report (DP/1989/71) stressed the importance of feedback of the lessons of evaluation into the programme/project cycle. Translating them into operational use continues to be an important task, especially the development of a cost-effective way of converting the wide variety of fairly simple lessons emerging from individual project evaluations to programme-wide relevance and application.

4. In terms of the composition of the work of the office, the shift from system development to programme analysis is now largely complete, although some steps to increase the coherence of evaluation work remain to be pursued. Programme analysis, development and application of an effective feedback system and strengthening of government capacity to monitor and evaluate now predominate.

5. CEO continues to receive and process project evaluation reports: mid-term, terminal, cluster and ex-post. Some information about the number, type and trend of these reports is provided in section III of this report (see paras. 44-49). Evaluation is now a regular tool of project management. Field offices, project review committees and the Action Committee include evaluations in the life cycle of projects not only as required by the UNDP guidelines but also when they are innovative, complex or controversial. In sum, evaluation has entered into UNDP's way of doing things and has become an integral part of it.

II. PROGRAMME ANALYSIS

6. The 1989/90 work programme presented to the Governing Council at its thirty-sixth session in June 1989 foresaw that the following topics would be addressed: (a) environment and development, (b) participatory development, (c) women in development, (d) institutional development, (e) technical assistance identification, (f) modalities of assistance, and (g) cost-effectiveness of

technical co-operation. Results can be reported under items (a), (b), (d) and (f). In addition, a Council-mandated study of the process of mid-term programme review has also yielded useful observations. Other items have not been completed because of the level of staffing.

A. Environment and development

7. Soils institutions. This small-scale thematic evaluation was carried out jointly with the Food and Agriculture Organization of the United Nations (FAO) and some African countries. It focused on the results of UNDP-financed projects designed to create and strengthen soils institutes in countries in Africa. The study is pertinent because the decline in food production and the new stresses on many of the continent's ecological zones that have emerged over the past 20 years may be traced in part to the lack of institutional underpinning for soil-related research and for translating research data into workable technology.

8. There are four categories of soil-related research: basic research, applied research, adaptive research and maintenance research. There have been 36 projects funded by UNDP with a total investment of $60 million and a cumulative involvement of over 200 years in 18 recipient countries. In general, projects were designed to conduct basic research, following most of the bilateral programmes which provided direct support in this area, rather than institution-building emphasizing adaptive and maintenance research. Eleven were on general pedology, seven on soil mapping and three on laboratory analysis. Only seven addressed the important issue of soil conservation. An important proportion of the resources was allocated to equipment and electronics ($10 million).

9. Most projects have run behind schedule and have had to be extended. Although some projects have been running for 10 to 15 years, most of them continue to receive quite basic external assistance. Research programmes have rapidly deteriorated following project completion. In many cases meaningful research programmes could not be sustained without continued assistance of funds and technical expertise from the outside. The study underlines some basic institutional weaknesses such as the following:

(a) Research and development priorities are not properly defined and creativity is low;

(b) There is little operating budget available after the salaries are paid;

(c) The staff turnover is too high;

(d) National research institutes are weak and unsustainable;

(e) The approach to solving the agrarian problem is piecemeal;

(f) The intellectual infrastructure does not exist despite the efforts made by several donor organizations.

10. The study presented some recommendations which will be reviewed by UNDP and the United Nations agencies concerned.

11. Disaster preparedness. This evaluation looked at the co-operation process between UNDP and the Office of the United Nations Disaster Relief Co-ordinator (UNDRO) and the capacity of five selected disaster-prone countries - Nepal, Madagascar, Mozambique, Jamaica and Indonesia - to face the effects of natural disasters. Donor agencies in Japan, Belgium, the Netherlands, the United Kingdom of Great Britain and Northern Ireland, the United States of America and Canada as well as several NGOs were also consulted.

12. The co-operation between UNDP and UNDRO in the aftermath of disasters has worked well. The co-operation process between organizations of the United Nations system was also found to be appropriate. At the level of the countries visited, however, there were problems relating to operational mechanisms. These relate to the establishment of United Nations Disaster Response Teams, simulation, information gathering, focal points for disaster-related matters, etc. The evaluation found that there is scope for improvement in the response of the United Nations system.

13. The evaluation was found not to have addressed institutional issues satisfactorily. However, it did find that the response to disasters was often mobilized effectively but not necessarily through the institutional avenues created for this purpose. If disasters recur only infrequently, it is not surprising that institutional machineries set up to deal with them may be underutilized and therefore become weaker.

14. As a follow-up of the evaluation, UNDP is undertaking, with the participation of selected disaster-prone countries, a study on the experiences and lessons learned from the integration of the effects and danger of natural hazards within development processes. The study should also assist Governments in strengthening their institutional capacity to respond better to disaster. The results, once disseminated, should lead to a greater awareness, within UNDP, of the potential for co-operation with disaster-prone countries on issues related to long- and medium-term effects of natural hazards on their society and their economy.

15. Urbanization. An overall review of the sector began with a desk study of UNDP-assisted rural and urban human settlements. Many UNDP projects were related to investment projects and were intended to build up the capacity of the organization concerned. Many were intended to facilitate community participation in the development of shelter. Some projects had regional or local planning as their primary focus and sought to promote balanced development through the country or region concerned. Several projects addressed equity concerns and targeted the poorest population. Several projects incorporated income-generating activities in their design.

16. The major factors explaining the success of this array of projects appear to be government commitment and community participation. Other significant factors include:

(a) Decentralization policies, which improve the ability of Governments to manage projects and improve public participation;

(b) Realistic standards and the elimination of legal restrictions, which indicate ways Governments can facilitate development;

(c) Land tenure provisions, which permit people to gain security and a reason to make investments in the area;

(d) Inter-institutional co-ordination, which is critical to the multisectoral area of human settlements;

(e) Choice of housing design and mode of construction;

(f) Improved access to housing finance for the urban poor.

17. The preliminary desk review is being followed up by in-depth studies in six countries. Based on these studies a final set of conclusions will be drawn up by mid-1990 concerning the impact of the UNDP-assisted urban and human settlement projects. The results of this exercise will be disseminated both to policy makers in developing countries as well as to operational units within UNDP.

B. Institutional development

18. Capacity-building in Cameroon. An ex-post study of three institutions in Cameroon which have received UNDP technical assistance has been completed. These institutions were established to promote employment, to minimize the consequences of rural migration and to prevent juvenile delinquency. The evaluation focused on the following elements of institutional capacity: performance, efficiency, effectiveness, potential for development, impact and sustainability.

19. Two of the institutions appear to be justified and viable. Both have reached a stage of development which allows them to perform their current activities without external assistance. To date, however, none of these institutions seems capable of upgrading itself further without continued external aid. All three institutions rely on governmental subsidies but need urgently to develop their own revenues. They have been affected by the financial crisis faced by the country, but at different levels and with different intensities. The managerial culture of each institution and its response to its intended beneficiaries have been uneven. These factors are directly related to the style of management, as the driving force in one institution was to justify and secure its existence vis-à-vis the Government while in the others the driving force was the service to the beneficiaries. There are some indications that the technical co-operation has led to the strengthening of specific technical functions. More comprehensive institutional capacity creation remains to be demonstrated. The methodology used in the study was transferred to nationals who are supposed to continue the exercise with other institutions. It will also continue to be refined by UNDP in other comparative studies elsewhere.

20. Technological institution-building: Metrology. A desk review of projects in metrology was made to assess the feasibility of carrying out a mini-thematic evaluation in this sector. The preliminary observations are being followed up by field visits of a team of two consultants in three countries. The reasons for this review were: the relative limited focus of the sector which facilitates the assessment of project impact on institution-building, the number of projects related to metrology (69), the total contribution of UNDP ($US 30,000,000) and the wide range of countries requesting UNDP assistance in this field. Besides it was felt that the technical assistance in this sector could lead to the introduction of cost-effectiveness analysis. The review shows that usually projects were designed to include three out of the following four components: standardization, metrology, quality control and testing laboratories. Sixty-one projects were conceived to be institution-building projects.

21. The desk study has shown that most projects have achieved their objectives, particularly those related to training and equipment. One common problem, however, is the recruitment and retention of the national staff in the institutions.

22. The basic objectives of institutions in the field of metrology can be classified into four categories: development of capital goods in countries which have already reached a relatively high level of development; development of the industrial sector as a whole; development of exports; and protection of the consumers. Three levels of institutional development have been found. One includes countries which have central institutions that have been in place for over 10 years but still operate at a very basic unfocused level and require a considerable amount of support. Another covers countries where institutions are limited to specific areas and provide better services. The third is specific to countries like Brazil or India where institution-building in metrology involves updating and raising the level of sophistication of existing facilities, which already provide an adequate level of basic services, with modern technology or developing capabilities in a very narrow field of high-level expertise. The participation of the private sector is increasing in such projects, enhancing their impact and likely sustainability.

23. The field visits will confirm whether there is a series of stages that all such institutions need to travel through or whether one or more of them can be bypassed. They will also consider what is the most cost-effective modality of assistance and the optimal mix of public/private intervention.

24. Fishery extension in Indonesia. This ex-post evaluation of fishery extension work in Indonesia examined the impact of the UNDP/FAO assistance on rural communities and the effectiveness of the extension system that the project had endeavoured to set up. The evaluators found that in the difficult area of providing extension services to the fishery sector, the project was able to demonstrate overall benefits. Such benefits had been significant, but much more could have been achieved if there had been a broader understanding from within the project of institutional and organizational requirements; if there had been a greater commitment from outside the project to the monitoring and evaluation of project activities and outputs, and more attention to providing both a conceptual linkage and feedback between government policy and the project.

25. The extension system set up by the project had the potential to provide benefits to the poor. It should be capable of further development to a level where it could lead to effective institution- and capacity-building at the village level.

26. The evaluation suggested that projects such as this one should include also the development of management and institutional capacity. Such mechanisms involved management skills, not only fishery skills, or extension skills. The capacity of the institutions with which a project interacted needed to be identified at the stage of project design and the project should then be designed to work within these capacities or develop them to a level commensurate with project requirements. To design a project without recognizing weaknesses in the host institutions was to limit the durability of benefits which might result from the project.

27. Finally, the evaluation urged that monitoring for impact should become a normal component in the design, implementation and ex-post evaluation of projects.

C. Technical assistance modalities

28. Twinning. An assessment of twinning arrangements as a mode of delivery of technical assistance has been carried out. The rationale of this review had three elements: the impact of this modality on the sustainability of the institutions assisted, its cost-effectiveness in relation to other modalities and identification of its specific niche in UNDP's technical co-operation. The preliminary review indicated that the concept was more popular in the 1960s, but subsequently, for reasons as yet difficult to determine, its use declined.

29. In the UNDP context, the concept of twinning recently re-emerged, mainly in the Asia and Pacific region for projects related to the transfer of competence between recipient institutions and universities of developed countries in the field of industry. However, at first glance at the operational level, it seems there were some ambiguities in the understanding of its characteristics. For example, twinning was confused in some cases with subcontracting and networking. It should be noted that, in UNDP projects, twinning arrangements are not a single modality of delivering assistance but are components of a more complete framework of provision of technical assistance also including equipment, expertise and training.

30. A relationship based on a twinning arrangement is different from one based on projects. The difference is in the number of partners involved and the level of mutual trust that needs to exist. The time-frame of these arrangements is longer than the normal duration of a project, and consequently the institutions twinned through a project are supposed to continue their collaboration in a different context without other parties. The pairing of two institutions cannot be imposed but can be promoted by a third party who knows the two institutions and could serve as an honest broker for such an arrangement.

31. Twinning arrangements are too few and new to be really evaluated in the present situation. However, the review has shown that there is a need to eliminate the semantic confusion between subcontract, twinning arrangements, network and use

of services of "centres of excellence", and to make explicit the rationale of using twinning arrangements in UNDP project documents. Twinning remains a viable modality for technical co-operation, one that may well be underused. As the needs of countries continue to diversify and evolve, greater use of twinning can be anticipated. UNDP will clarify the instructions for its use and provide guidance to operational units as to when it can be most profitably employed.

32. Participatory Evaluation. UNDP has endeavoured to clarify the concepts underlying this new and important evaluation modality. A consultant was commissioned to carry out a study in this field. Participation is seen as an end not as a means, and is a process in which the target group members take an active part in planning, decision-making, implementation and evaluation. It leads to their control over the resources generated and responsibility for their future use. For an evaluation exercise to be participatory it has to involve the target groups in the following three processes: putting questions, answering questions and utilizing the results.

33. Participatory evaluation is much more likely to succeed if it is grounded in a participatory project, and if introduced in a traditional project the process of co-operation is likely to be transformed. A review of methods of participatory evaluation highlights the differences between this and more traditional approaches. Participatory evaluation changes the nature of the decisions taken, making them less technocratic and more political. It also changes the nature of the process by which such decisions are arrived at.

34. While it appears that participatory evaluation is likely to be more action-oriented than a traditional evaluation, it requires new techniques and methods, and more care for its design and execution, and needs to be adapted to the activity under examination. UNDP concludes that greater use of this technique is warranted in certain circumstances. As a follow-up to this initial study, UNDP will carry out a series of case studies in different contexts in order to provide operational guidance on where and when it is appropriate to use it.

35. Country Programme Mid-Term Review Process. This evaluation, which has been reported separately to the Governing Council (see DP/1990/38/Add.1), found that mid-term reviews had improved the quality of programmes concerned, particularly their management. It also noted that as the needs of developing countries diversified and evolved, UNDP's responsibilities were becoming more demanding.

36. This required a shift from an organization with a projects culture to one which was equally proficient at handling programme issues. This in turn required that UNDP be able to analyse and learn the lessons of experience of the programme and feed them back into operations in a managed process using tools like the mid-term review. A corollary of this was that there should be less focus on resolving delivery issues and much more on the quality of country programmes and the needs assessments on which they were based.

37. As a result of the evaluation, UNDP is developing revised guidelines for use by field offices in strengthening the monitoring and evaluation of country programmes, as part of a larger process of strengthening the "programme approach" in UNDP.

38. Some lessons from programme analysis. Some observations have emerged which concern the development of institutions. Several points stand out which should be explored further in follow-up work.

39. First, monitoring for likely impact of institutional development projects needs to be strengthened. Practical indicators of progress in institution-building in different fields need to be elaborated and used systematically.

40. Second, the test of success in institution-building is not necessarily whether the technical assistance to the institution concerned ceases. The kinds of collaboration the institution undertakes and the range of relationships it develops with other institutions and entities both inside and outside the country may be a better indication that the process of building up its capacity has been successful.

41. Third, successful, sustainable institutions may well shed some functions and add others. So for some parts of some institutions, sustainability is not, or should not necessarily be, the goal. It is much more important that the institution is "developmentally effective". As noted in the 1989 evaluation report (DP/1989/14, paras. 17-19 and 39-40), many institutions once considered sustainable and effective are no longer so. They have had to exist in an increasingly turbulent environment. Such circumstances necessarily demand institutional adaptability as a prerequisite for survival as an effective entity and this is a factor that needs to be taken into account in the design of future assistance.

42. Fourth, the design of an institution's information system is a useful indication of the essential thrust of the institution. One that has an information system emphasizing activities is likely to be a bureaucratic and supply-driven institution trying to justify itself. One with a system designed to gather information on the actual and potential needs of its users is more likely to be demand driven. Its level of performance may be documented in a less impressive fashion but its impact on the beneficiaries may well be greater.

43. Lastly, as noted in the 1988 evaluation report (DP/1988/14, para. 22) there is little difference in approaches to institution-building (and institutional development) in such disparate areas as the environment, isolated entrepreneurs in rural areas and sector co-ordination entities. Differentiation in terms of product and approach seems to be needed.

III. INTEGRATION OF EVALUATION RESULTS INTO UNDP OPERATIONS

44. The successful integration of evaluation results into UNDP operations depends on two processes, first, the generation, by the evaluation mechanism, of relevant judgements and lessons; and secondly, the continued use of this material by operational units in the design and management of programme and projects. Judgements and lessons are generated both by the evaluation office from its analysis of various aspects of the programme and by operational units in the course of their routine evaluation work.

45. The Central Evaluation Office has received the following evaluation reports during the past three years:

	1987	1988	1989
Type of evaluation			
Mid-term	52	54	45
Terminal	94	92	97
Cluster	2	2	9
Ex-post	9	4	4
Total	157	152	155

The number of evaluations is stable. Terminal evaluations are still the most used modality. The increase in the number of cluster evaluations of projects is interesting. Such exercises are a cost-effective means of covering multiple projects in one evaluation and facilitating programme level assessments of the whole group of projects. The development of ex-post evaluation seems to have suffered from the difficulty of funding this type of evaluation with IPF country resources.

46. As far as judgements are concerned, a study has been made of a sample of 308 projects evaluated over the period 1983-1989. The following conclusions have been reached: the quality of project design and results is steadily increasing according to the assessment of project evaluators. However, despite some progress over the period, the quality of project management needs to be considered with attention.

47. Progress is being made in improving the quality of terms of reference. More remains to be done by all concerned, however, in making terms of reference more project specific so that evaluations are led to address the essential issues and to arrive at the necessary level of focus and decisiveness in their judgements.

48. The quality of evaluation reports is also improving. However, the logic of linkages between findings and recommendations needs continuing attention by all concerned. A review of the production of lessons learned at the project level provides a more varied picture. Examination of a sample of evaluations of institution-building projects showed that the number of evaluations that provide lessons has increased. Nevertheless, further improvement in the quality of those lessons is required.

49. As far as the use of evaluation results is concerned, there are preliminary indications of continuing and successful use. A limited sample of 36 projects which were subject to both mid-term and terminal evaluation was examined. Out of the 36 projects, 12 were found below target at the mid-term evaluation but only 3 of them turned out to be total failures at the end; the remaining 24 which were on

or above target did not fail. The evaluations carried out at the mid-term stage seem to have been effective in resolving problems and promoting project success.

50. The Administrator will continue to press for a steady improvement in both the quality and use of evaluation in all operational units. Some specific suggestions are contained in the following section.

IV. SYSTEM STRENGTHENING

Evaluation activities in UNDP and the funds it administers

51. By decision 89/35, the Governing Council requested the Administrator: (a) to inform the Council at its thirty-seventh session in 1990 of his efforts aiming at rationalizing both the management of the resources devoted to, and the usage made of, evaluation work at all levels in the system; and (b) to present to the Council at the same session proposals with regard to the organization of evaluation activities in funds administered by UNDP.

52. Overall management of the system and its resources. The original design for an evaluation system presented to the Governing Council in 1983 (DP/1983/ICW/6) foresaw a Central Evaluation Office (CEO) with one Director, six Professionals, provision for five years of consultancy annually and support staff to match, along with a full-time evaluation officer in each of the regional bureaux. Currently CEO has a Director, 4 Professionals, 4 General Service staff and provision for two person-years of consultant services annually. CEO is located in the Bureau for Programme Policy and Evaluation (BPPE) of UNDP. Each of the regional bureaux has designated one person whose duties include evaluation management. These focal points usually have additional substantive programme responsibilities within the bureau concerned.

53. Three of the Funds administered by UNDP 1/ have assigned units with specific evaluation responsibilities: the United Nations Capital Development Fund (UNCDF), the United Nations Development Fund for Women (UNIFEM) and the United Nations Volunteers (UNV). As in the case of the regional bureaux, these functions are integrated into existing policy and programme units and do not have an exclusive evaluation focus, except for UNCDF, which has one staff person assigned full time to evaluation activities.

54. UNDP convenes the Inter-Agency Working Group on Evaluation, which involves all of its executing agencies and meets once a year to discuss both substantive and operational issues concerning the evaluation work of UNDP and its follow-up. UNDP also participates as an observer in the Development Assistance Committee (DAC)/Organisation for Economic Co-operation and Development (OECD) Expert Group on Aid Evaluation. This membership facilitates a dialogue and exchange of experience with donor countries. Governments of recipient countries are interacting with the UNDP evaluation system through project and programme evaluations, training programmes, organization of ad hoc visits to CEO and preparation of monographs on national monitoring and evaluation systems.

55. Usage made of evaluation work. CEO assists, sometimes jointly with the Technical Advisory Division and regional bureaux, in planning and carrying out project evaluations. This is done through analysis of country programme management plans; review of terms of reference; identification, briefing and debriefing of consultants; and analysis of evaluation reports. Measures that increase the productivity of evaluation such as cluster evaluations or more appropriate use of terminal evaluations are pursued on a regular basis. CEO staff are also actively involved in the training programme for UNDP staff.

56. Dissemination of experiential lessons is also a responsibility of CEO. The main vehicles for this activity are the Programme Advisory Notes (PAN) essentially based on UNDP experience (19 have been produced up to now) and "Findings". The latter are brief summaries of evaluations or other substantive papers and are issued periodically by CEO. A data bank containing summaries of evaluation reports has been established and is growing steadily. Experiential lessons are also disseminated through CEO's involvement in training.

57. Each Fund evaluates its activities and applies UNDP guidelines in doing so but adapts them in some cases to its specific mandate or requirements, or develops new ones if guidelines do not exist in some cases. The present system works as far as the Funds are concerned. However, with more human resources at CEO level, more co-ordination, coherence and support from the central level would be possible. It is not the principle of decentralization which could be questioned but the capacity of both CEO and the Funds to respond effectively to future challenges in a coherent manner with the current level of human resources.

58. The Administrator has decided that CEO will maintain its role in providing for a central institutional memory which receives and analyses all evaluation reports carried out by Funds as well as those from the regional bureaux. All operational units will be encouraged to continue to improve the quality of evaluations, particularly as regards the judgements that they provide about the effectiveness and impact of projects or programmes concerned, as well as the pertinence and utility of the lessons that can be drawn from them.

59. Such lessons learned will be presented systematically to the senior management level of UNDP in a forum where the consequences of the substantive and operational issues highlighted by the evaluation processes are to be reviewed with recommendations for follow-up actions as warranted.

60. While the Funds will have flexibility in adapting UNDP's guidelines on evaluation and monitoring to their specific mandates, they will be required to consult with CEO and obtain its clearance of any adaptations of the existing UNDP system in order to ensure its continued integrity and coherence. Among the criteria to be applied by CEO are simplicity and the need for harmonization of procedures to minimize the burdens on participating Governments and field offices. The Funds will also be required to provide CEO regularly with pertinent information such as evaluation plans and syntheses of evaluation findings. This will be of major importance as the monitoring and evaluation system continues to evolve in line with the increasing use of national execution and a more programmatic approach to UNDP operations.

61. CEO will continue to develop the use of electronic data processing to maintain UNDP's institutional memory and for the dissemination of lessons. Additionally, CEO will provide more support to the Funds in the field of evaluation through training, technical advice and the design of appropriate modalities, and will strengthen its accountability function for the UNDP system as a whole.

62. The demand for evaluation services and feedback, both within and external to UNDP, may be expected to grow over the next decade. The system will also need to respond to the increasing involvement of recipients in all aspects of monitoring and evaluation. The more programmatic approach to technical co-operation which is increasingly accepted should increase the requirements for clear and up-to-date lessons drawn from experience. This will also necessitate more substantive monitoring which would serve needs at all levels of management as well as more cost-effective evaluation processes. As such, the use of evaluations to solve managerial problems may be expected to decline and evaluations would be employed more to provide judgement and, where necessary, redirection of programmes at key points of intervention in their evolution. A programme approach will generally require the commitment of a greater proportion of resources to a specific area, and failure in such an area would be of greater consequence to the effectiveness of the programme as a whole.

63. In support of the foregoing approach, evaluation activities would need to be strengthened both at the centre and in the Funds and operational units. A major constraint in this regard has been the insufficient number of evaluation staff, and current arrangements do not provide adequate resources to generate enough evaluation products and services at the centre or to pursue their feedback and application at the operational level. Accordingly, the Administrator proposes to bring the Central Evaluation Office closer to the level originally envisaged by the Governing Council in 1983. This would mean that two more Professional and two more support staff posts would be assigned to CEO.

64. In order to strengthen operational aspects of evaluation but in particular follow-up of the application of evaluation results, enough resources should be allocated to permit each operational unit to have at least one Professional devoted exclusively to evaluation planning, implementation and follow-up. This would involve one full-time Professional staff member at UNV, and one full-time Professional staff member at UNIFEM as well as similar allocations to each of the regional bureaux.

65. Project Completion Reporting and Follow-up. Following an examination of the procedures and performance of project completion reporting, UNDP has circulated to agencies and its field offices a revised and simplified set of procedures. Proposals are now being reviewed for a revised format, involving a minimum requirements profile, which should improve consistency and comparability of reports, serve to reduce their length and, above all, stress their utility both as a guide for follow-up of completed activities and as important elements in UNDP's institutional memory. The need for factual content and guidance as to what should be included is laid out in the proposal. As soon as discussion within UNDP and the agencies is completed, UNDP will finalize the new set of procedures for implementation.

66. Evaluation handbook. Following the comprehensive revision of the harmonized procedures for monitoring, evaluation and reporting, UNDP is producing a substantive operational guideline to help managers in the field and headquarters identify and deal with common problems in evaluation. The handbook is intended to be an operational tool and should assist field offices in solving operational and conceptual issues as they evolve. It will address specifically how to deal with issues of impact and sustainability at the operational level and how to improve the quality of lessons that can be drawn from operational evaluations.

V. STRENGTHENING GOVERNMENT MONITORING AND EVALUATION CAPACITY

67. Country monographs. A cost-effective contribution that UNDP can make to the development of this essential aspect of national capacity-building is the production of a series of monographs which describe the state of the art in monitoring and evaluation activities at the government level in a variety of countries. These papers are designed to provide some lessons that have been learned from the extensive experience of the countries concerned, promote a dialogue between developing countries on this topic and, in certain cases, identify needs for further strengthening.

68. In 1989, studies were completed for Malaysia, Côte d'Ivoire, the United Republic of Tanzania and Zimbabwe and UNDP plans to publish them once necessary government clearances have been obtained. Work on India is ongoing. Several other monographs are under discussion with the Governments concerned.

69. Results from this work are already emerging. The United Republic of Tanzania study was an input to the Government's decisions concerning the monitoring and follow-up of its priority social action programme to address the social consequences of structural adjustment. The monographs for all three African countries have been used as inputs to a regional seminar organized by DAC/OECD in Côte d'Ivoire to discuss the best ways to strengthen national capacities in Africa in this area.

70. UNDP has also provided this seminar with an overview of donor efforts in this field. One conclusion that has emerged from this study is that monitoring and evaluation operations are often set up to meet the requirements of an external funding source during the investment or implementation phase of a project. Less support is given to ensure their continuation at the time when they are most needed, when operations are bringing some benefits and when there is a possibility of examining impact.

VI. EXTERNAL RELATIONS

71. Collaboration with Governments and agencies has continued to produce positive effects over the past year. It has been used to develop concepts, to exchange lessons and to offer the opportunity to UNDP's partners to maintain their understanding of the quality and effectiveness of the programme.

72. Inter-Agency Working Group on Evaluation. The sixth meeting of the Inter-Agency Working Group on Evaluation was held in Geneva on 30 and 31 October 1989. The main outcomes were specific suggestions for action by the executing agencies to promote sustainability of project results through greater attention to the issue at the identification and formulation stages and greater use of ex-post evaluations. Executing agencies and UNDP have agreed to share lessons learned in this field through exchange of relevant reports. Greater recognition of the importance of cost-effectiveness analysis of technical assistance, notwithstanding the conceptual problems involved, has emerged.

73. Regarding feedback, it was recognized that harmonization rather than standardization of activities should be the norm. Improving the system of feedback and the application of lessons learned should be explored further. However, more dialogue with users was needed to increase impact.

74. UNDP has collaborated with the Governments of Denmark and the United States in preparing, for the DAC/OECD Expert Group on Aid Evaluation, an approach to the evaluation of institution-building projects. This is to be used by all members of the Group in their evaluations of such projects in 1990-1991. The dialogue with regard to the strengthening of recipient capacities to monitor and evaluate their own development has continued both within the DAC Expert Group and on a bilateral basis.

75. The joint evaluation work with the Government of Japan reported on in last year's report (DP/1989/71, para. 74) is due to be followed up in 1990 by two other joint exercises. Discussions are under way with the Governments of Canada, Denmark and Norway for collaboration in other areas.

VII. WORK PLAN

76. The following is the work programme that CEO plans to carry out in 1990-1991:

A. Programme analysis

Subject	Outputs
A.1 Environment and development	A.1.1 Urbanization report
	A.1.2 Report on institutions dealing with land and soil management
	A.1.3 Environmental institution-building
A.2 Evaluation of co-operation between UNDP and UNDRO	A.2.1 Evaluation report
	A.2.2 Study on relationship between disaster and institution-building

	Subject		Outputs
A.3	Evaluation of UNDP involvement in UNPAAERD	A.3.1	Evaluation report of projects related to the Social Dimensions of Adjustment
		A.3.2	Evaluation reports of NaTCAPs
A.4	Review of projects in the field of metrology	A.4.1	Report
A.5	Women in development	A.5.1	Six country assessment reports
A.6	Institutional development	A.6.1	Second report on institution-building in Cameroon
		A.6.2	Two country reports
A.7	Sectoral support programme	A.7.1	Evaluation report
A.8	Joint evaluations	A.8.1	Evaluation with CIDA (human resources development)
		A.8.2	Evaluation with Norway (rural water supply)
		A.8.3	(Workers' education programme with ILO)
A.9	Collaboration on evaluation	A.9.1	Evaluation with Japan in Bolivia
		A.9.2	Evaluation with Japan in Malaysia
A.10	Participatory development	A.10.1	Two case study reports
		A.10.2	Guidelines for participatory evaluation
A.11	Modalities of assistance	A.11.1	Study of twinning arrangements
A.12	Cost-effectiveness of technical co-operation	A.12.1	Issues paper and case studies

B. Strengthening national monitoring and evaluation capacity

Subject		Outputs	
B.1	Three monographs on national monitoring and evaluation capacity	B.1.1	Three country studies
B.2	Participation in the DAC/OECD seminar in Abidjan (May 1990)	B.2.1	Summary of monographs for Africa
		B.2.2	Paper describing role of donors in strengthening evaluation capacities of Governments
B.3	Training of government staff	B.3.1	Training: Morocco, Zaire and China

C. Improving the feedback system

Subject		Outputs	
C.1	Development of data bank of evaluation reports	C.1.1	Continuous feedback to operations based on the data bank of evaluation reports
		C.1.2	Feasibility study reports on new data bank
		C.1.3	Organization of the maintenance system
C.2	Dissemination of lessons	C.2.1	PAN on aquaculture
		C.2.2	PAN on trade policy
		C.2.3	Eight issues of "Findings"

D. System strengthening

	Subject		Outputs
D.1	Proposals for evaluation activities in UNDP-administered funds	D.1.1	Report to Governing Council
D.2.	Review of the monitoring and evaluation system in the light of increased use of national execution	D.2.1	Revision as necessary of current instructions
D.3	Improvement of quality of terms of reference for evaluations	D.3.1	Pilot system for rural small industrial enterprises
		D.3.2	Terms of reference for institution-building evaluation project
D.4	Project completion reporting	D.4.1	Revised instructions
D.5	Updating evaluation instructions	D.5.1	Evaluation handbook
D.6	Project quality	D.6.1	Report based on extracts from evaluation reports

Notes

1/ The Funds administered by UNDP are: the United Nations Capital Development Fund (UNCDF), the United Nations Fund for Science and Technology for Development (UNFSTD), the United Nations Sudano-Sahelian Office (UNSO), the United Nations Revolving Fund for Natural Resources Exploration (UNRFNRE), the United Nations Development Fund for Women (UNIFEM) and the United Nations Volunteers (UNV) programme.

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SUPPORT

PROGRAMME PLANNING

Project Development Facility

Report of the Administrator

SUMMARY

This report gives an overview of the activities undertaken through the Project Development Facility with emphasis on the period commencing June 1988, when the current operational arrangements were established. In response to Governing Council decisions 88/17 of 1 July 1988 and 89/36 of 30 June 1989, the report presents quantitative and qualitative analyses of the missions undertaken, as well as information on consultants assigned to Project Development Facility missions.

I. BACKGROUND

1. This section presents a review of the operations of the Project Development Facility (PDF), in response to Governing Council decisions 88/17 of 1 July 1988 and 89/36 of 30 June 1989.

2. In decision 85/4 of 29 June 1985, the Governing Council supported the establishment of a PDF on an experimental basis until the end of the third programming cycle. This Facility, funded from Special Programme Resources (SPR), was established in support of the efforts undertaken by the United Nations Development Programme (UNDP) to improve the quality and effectiveness of programmes and projects financed by the Organization, and, in particular, the project development aspects of that effort: project identification, formulation and appraisal. The Facility meets the costs of the missions associated with the process.

3. The PDF was originally set up on a reimbursable basis. Missions that led to projects financed from the indicative planning figure (IPF) were to be reimbursed from the project budgets. The costs of missions that did not generate projects were to remain chargeable against the SPR. PDF operations began late in 1985 with a $1 million initial allotment. The Governing Council increased the allocation to $2 million by decisions 87/6 of 20 February 1987 and 87/25 of 19 June 1987. For simplicity, this portion of the PDF is referred to as PDF1.

4. By its decision 88/31 of 1 July 1988, the Governing Council assigned additional funds to the SPR, which, inter alia, increased the earmarking for the PDF. The Council also noted the Administrator's intention to modify the operation of the PDF in order to further enhance the pipeline generation process that was needed for the fourth cycle. The essence of the proposed modifications consisted in the abolition of (a) the reimbursement requirement and (b) the required written formal approval of the mission by the recipient country, it being understood that the Government's concurrence would be obtained before the submission of the request by the Resident Representative. Internally in UNDP, the management of the Facility was decentralized from the Bureau for Programme Policy and Evaluation (BPPE) to the Regional Bureaux. The Governing Council approved a sum of $3.5 million for this modified PDF (PDF2), which started to operate as of 1 July 1988. The funds were allocated in proportion to the IPF distribution by region and released in tranches, reaching 100 per cent of the allocations by March 1989.

5. With the exception of the allocation for global and interregional activities, all available PDF2 funds had been committed by May 1989. As the demand for the Facility continued, the Council authorized, by its decision 89/36 of 30 June 1989, the use of funds eligible for reimbursements under PDF1 for additional missions. Additional funds of $1 million were released in November 1989, again in proportion to the IPF distribution by region. Table 1 shows the regional distribution of these funds.

6. An analysis of the results of PDF1 was presented to the Council at its thirty-fifth session (1988) (DP/1988/19). The following report covers primarily activities under PDF2. References to PDF1, mainly for comparative purposes, are identified in the text. The report is based on information provided by the users as represented by the Regional Bureaux, which are currently managing these resources. A qualitative assessment of the Facility's impact was also requested from the users and is summarized below.

Table 1. PDF2 allocation by region

(United States dollars)

Region	First tranche	Second tranche	Total
Africa	1 385 000	402 000	1 787 000
Asia and Pacific	1 368 000	398 000	1 766 000
Arab States and Europe	358 000	94 000	462 000
Latin America and the Caribbean	330 000	96 000	426 000
Global and interregional	59 000	-	59 000
Total	3 500 000	1 000 000	4 500 000

II. OPERATIONS

7. Missions funded by the PDF are undertaken either by independent consultants, by UNDP technical staff or by specialized agency personnel. Only travel-related expenses are covered for UNDP and almost all United Nations system personnel. Requests are normally approved by each bureau (through the bureau Project Appraisal Committee or other similar arrangement). Missions are undertaken with the concurrence of the recipient Government. The missions, which are normally undertaken prior to project approval, can be classified as follows:

(a) Project identification, undertaken during the country programming exercise, shortly following approval of country programmes or where a review of a project proposal so merits;

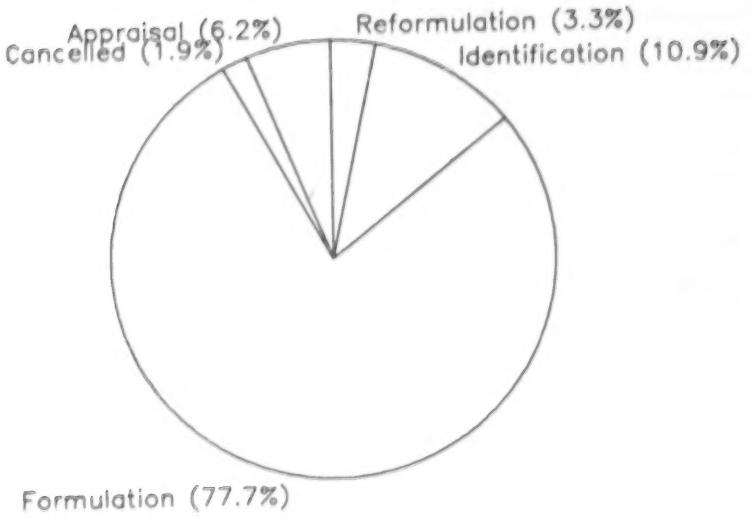
(b) Project formulation, especially of complex or technically difficult projects;

(c) Project appraisal, especially of innovative or controversial projects;

(d) Reformulation of ongoing projects.

Figure 1 shows the distribution of missions by type. Almost 78 per cent of the missions were formulation missions - including about 10 per cent classified as identification-formulation. Eleven per cent were identification missions, slightly over 6 per cent appraisal mission and about 3 per cent reformulation missions, showing a strong preference for using the Facility as a way to finalize pipeline activities. About 2 per cent, or four of the missions considered were cancelled, that is, did not take place or were interrupted.

Figure 1
PDF2 MISSIONS BY TYPE



8. By 31 December 1989, a total of 211 missions were approved under PDF2, compared with 159 under PDF1. Of the PDF2 missions, 106 had been completed, 4 were cancelled, and the remaining 101 were either ongoing or awaiting clearances of documents or final payments. Table 2 provides some details on the missions.

Table 2. PDF2 missions, cost and average cost per mission by region

Region	Number of missions	Total cost (United States dollars)	Average cost per mission
Africa	71	1 385 000	19 507
Asia and the Pacific	88	1 350 577	15 347
Arab States and Europe	34	309 784	9 111
Latin America and the Caribbean	18	240 635	13 369
Total/average	211	3 285 996	15 573

9. Table 3 shows that 81 users took advantage of the Facility (76 countries, the 4 regional programmes and the Central American Programme). The average duration of a mission was 19.2 days.

Table 3. Number of PDF2 users and mission duration

Region	Number a/ of users	Mission duration (days)
Africa	30	17
Asia and the Pacific	18	18.6
Arab States and Europe	21	26.7
Latin America and the Caribbean	12	11.8
Total/average	81	19.2

a/ Includes the regional programmes of each bureau as well as the Central American Programme.

III. USE OF CONSULTANTS

10. A total of 272 consultants were utilized in the missions. Of these, the affiliation of 175 was identified. Figure 2 shows that 26 per cent were agency staff, 6 per cent were UNDP staff, 3 per cent came from Governments and 64 per cent were independent contractors. This statistic reflects the contractual status of the consultant. Thus, the agencies and UNDP were involved in the substantive process of selecting most of the independent consultants although from the administrative point of view they are considered independent.

11. The nationality of 107 consultants was reported in the survey of the bureaux. The nationality of some consultants, particularly staff of organizations of the United Nations was not registered, and instructions are being issued to ensure that they will be recorded in the future. The distribution of nationalities between developed and developing countries is shown in figure 3. A detailed list of the nationalities of these consultants is shown in table 4. Thirty-four countries are represented, with the main providers of consultants being the United States with 23, followed by the United Kingdom with 17 and India and France with 6 each.

Figure 2
PDF2 CONSULTANTS BY AFFILIATION

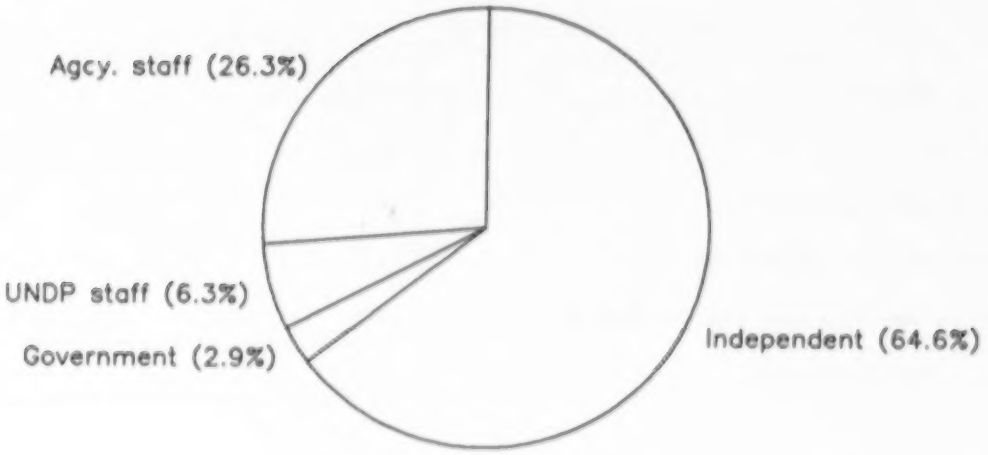


Figure 3
PDF2 EXPERTS NATIONALITY CLASSIFICATION

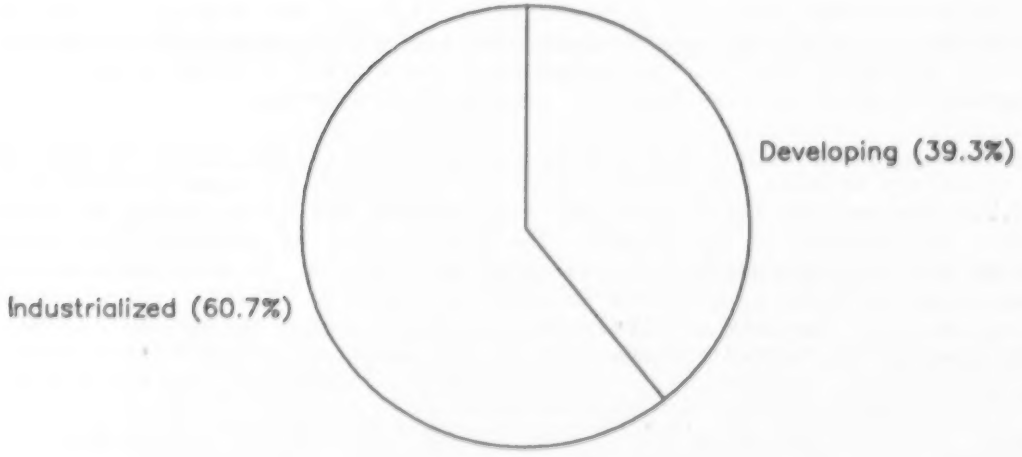


Table 4. PDF2 consultants by nationality

Country	Number of consultants	Per cent
United States of America	23	21.5
United Kingdom	17	15.9
France	6	5.6
India	6	5.6
Sri Lanka	5	4.7
Australia	5	4.7
Argentina	4	3.7
Brazil	4	3.7
Egypt	3	2.8
Belgium	3	2.8
Canada	3	2.8
Tunisia	2	1.9
Chile	2	1.9
Colombia	2	1.9
Denmark	2	1.9
Germany, Federal Republic of	2	1.9
Guyana	1	0.9
Hungary	1	0.9
Italy	1	0.9
Cyprus	1	0.9
Pakistan	1	0.9
Netherlands	1	0.9
Nigeria	1	0.9
Poland	1	0.9
Venezuela	1	0.9
Spain	1	0.9
Morocco	1	0.9
Costa Rica	1	0.9
Peru	1	0.9
Singapore	1	0.9
Mozambique	1	0.9
Bangladesh	1	0.9
Mexico	1	0.9
Ireland	1	0.9
Total	107	100.0

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12. Table 5 shows the distribution among agencies of IPF projects resulting from PDF2.

Table 5. Executing agency of IPF projects generated by PDF2

Agency	Projects	Per cent
UNIDO	22	16.8
FAO	22	16.8
ILO	14	10.7
Government	11	8.4
UNDP/OPS	11	8.4
UNESCO	11	8.4
UNDTCD	9	6.9
IBRD	5	3.8
ASDB	5	3.8
ITU	4	3.1
UNCHS	3	2.3
Govt/UNIDO	2	1.5
ICAO	2	1.5
ITC	2	1.5
WHO	2	1.5
ECLAC	1	0.8
WTO	1	0.8
IMO	1	0.8
ESCAP	1	0.8
WMO	1	0.8
UNCTAD	1	0.8
Total	131	100.0

It can be seen that most agencies are represented in the resulting IPF projects. Of interest also is that direct national execution was used in 8.4 per cent of the cases, or 10 per cent if joint UNIDO/Government execution is included. This share compares with the overall delivery of IPF and cost-sharing for nationally executed projects, which was 11.2 per cent in 1988. Similarly, the proportion of OPS-executed projects resulting from PDF2, 8.2 per cent, is in line with overall OPS participation in total IPF and cost-sharing projects, which was 8.1 per cent the same year. At the inter-agency consultative meeting that took place in New York in December 1989, agencies expressed their satisfaction with the PDF2 activities in general, as well as with the fact that the intra-agency distribution of projects was not significantly affected by the use of these funds in their preparatory stage.

IV. PDF IMPACT

13. The multiplier effect of the PDF, that is, the volume of IPF budgets generated per PDF dollar spent on completed missions has been calculated at $62 for PDF2. In other words, on the average, $62 worth of IPF budgets can be expected to be generated per each dollar spent in PDF2 missions that generated projects, assuming a similar pattern for all missions. This seems to be a fairly stable value, as PDF1 had a comparable effect of $50. It should be pointed out that the multiplier effect measures only the direct IPF budget resulting from the PDF missions. As such, it may underestimate the impact of the PDF, especially when cost-sharing or other donors' contributions complement the IPF effort. For example, the IPF multiplier for the Latin American and Caribbean region amounted to 45. However, the projects included in the study had associated (i.e., non-IPF) project budgets in excess of $9 million (from other funding agencies or Government cost-sharing), which would have increased the multiplier value to over $200 per PDF dollar. This additional effect depends on the particular situation of each region regarding the availability of funds to supplement the IPF, hence the Latin American and Caribbean figure is illustrative only.

14. To forecast the effects of the PDF, a more precise approach would be to look at the effect of the total cost of missions. In other words, not just those that actually generated projects but also those that did not. As some missions do not result in projects, this figure would be expected to be somewhat lower than the above-mentioned multiplier. However, that figure would be misleading for PDF2 at this time, as a considerable number of projects are still in the pipeline. Until the necessary historical perspective is available for PDF2, the PDF1 experience constitutes a full cycle that can be used as a basis for assessment. Based on a review of PDF1, and assuming similar behaviour of the approval process, a volume of slightly over $180 million in IPF budgets can be expected to be generated by the first tranche of $3.5 million PDF2 missions. By the same token, the recently released $1 million second tranche mentioned in paragraph 5 should generate a level of budgets around $50 million before all the funds are exhausted, which, at the current rate, should happen before the end of June 1990.

15. As noted above, a qualitative assessment was also conducted to review the experience of the different bureaux with PDF2. The overall assessment is highly positive, the only reservation being the lack of additional funds under the modality. For example, in their regional operational meeting of March 1989, Resident Representatives of the Arab States and Europe unanimously endorsed the Facility as a tool for addressing delivery problems through the formulation of pipeline projects.

16. By and large the most attractive feature of PDF2, especially as compared with the preparatory assistance mechanism, the main existing alternative, seems to be its flexibility. In certain ways, PDF complements the preparatory assistance mechanism by assisting in the project formulation process. In other ways, PDF provides for a more flexible and expeditious system by not requiring the formal documentation associated with the preparatory assistance mechanism. Governments have an incentive to try new approaches to their technical co-operation needs, as no IPF funds are charged. Above all, the PDF helps in the build-up of the pipeline and allows for project appraisal activities, areas that cannot be covered through the preparatory assistance mechanism. This is perceived from many angles:

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(a) Speed of implementation. Regional bureaux report that missions can be fielded in a matter of 1 or 2 months rather that the several months needed in the case of the preparatory assistance mechanism. This reflects the considerably less formal requirements involved in the PDF documentation. Actual project finalization lapse has been reduced from 8-9 months to 3-4 months by comparison with the preparatory assistance mechanism. In some countries, the governmental machinery requires several months to process a preparatory assistance mechanism approval, given its formal nature. For example, UNDP was able to organize swift co-ordination of technical co-operation by several donors to support a $300 million International Development Association (IDA) loan in Bangladesh thanks to the Facility. A request for a formulation mission for a water-supply project in Democratic Yemen received at the end of December 1988 saw its high-level consultants in the field by February 1989, less than two months for the complete process. An emergency formulation mission for a hospital in the Sudan was also manned at a speed that would not have been possible under the regular preparatory assistance mechanism;

(b) Independence of advice. In the view of the regional bureaux, the use of the preparatory assistance mechanism entails a quasi-commitment to an agency. The use of independent consultants through PDF (even if identified by agencies) provides a more detached view. It is felt that the appraisal process is strengthened by this objective advice, particularly in cases where the comparative advantage of a particular modality of execution is not evident. For example, an extremely complex rural development project - from the logistical, managerial and developmental point of view - to meet the needs of island inhabitants in Democratic Yemen was difficult to classify under the mandate or competence of a particular agency. PDF allowed an independent formulation of this project. Furthermore, in projects of a highly sensitive nature, this independence enables UNDP to maximize its role as a neutral broker. An example of this situation was the provision of a high-level adviser to Poland to assist in the establishment of a centre for debt restructuring. This has not affected the participation of agencies in the resulting projects, however, as paragraph 15 indicates;

(c) Additionality of resources and catalytic effects. PDF has also proved an important incentive for generating projects with third-party financing in smaller countries where IPFs were almost fully committed. Guinea Bissau, the Gambia, Liberia and others have used the Facility to formulate, reformulate and identify projects when resources were fully earmarked. This allows the maintenance of a healthy pipeline. Similar effects were obtained in the Caribbean, where projects to be funded under other sources have been identified through PDF in countries with small IPFs that were fully earmarked, such as St. Kitts and Nevis. In emergency cases where IPF resources were exhausted, as in Mauritania, a marine resource policy mission was mobilized at the request of the Secretary-General, producing a plan of action the funding of which is currently being negotiated with bilateral donors and development banks. This action would not have been possible without PDF2. In the Arab region, particularly in some net contributor countries, the PDF has proven useful in generating follow-up resources, most notably cost-sharing.

(d) Risky and innovative projects. PDF has also been of help by providing Governments with an effective means to tackle risky, unconventional or innovative projects. This also applies in situations where even the use of the preparatory

assistance mechanism was perceived as too much of a commitment of the national IPF, given the risks involved. Examples are a castor oil production factory in Chile and high performance computing and crystal growth technology projects in India. In this sense, it is important to note that a few of the projects which were not pursued after the PDF mission proved that the Facility, with a relatively inexpensive mission, could save the country considerable financial and human resources by having an independent negative assessment of proposed projects before major commitments were made.

(e) Appraisal of programmes and projects. PDF provides a means to complement the skills of UNDP personnel in the appraisal process, particularly in high technology. The preparatory assistance mechanism modality does not offer an alternative in this sense. Examples are joint appraisal exercises with OECD in programmes in technology, science and trade, which have generated over $1.5 million in regional projects in Latin America. A project on the use of oil-well stimulation technologies in China, and another on the use of genetic engineering in Mongolia, were considerably modified as a result of the review before approval. An appraisal mission for a key industrial development project in Cyprus allowed the Government to undertake a second phase quite successfully under national execution, as the local counterpart had been sufficiently prepared to do so.

V. CONCLUSIONS

17. PDF has developed into an efficient mechanism for generation and improvement of the pipeline projects, as the users progressed along the learning curve and the procedures were streamlined. The bulk of the activities (81 per cent of the missions) have been focused on the formulation or reformulation of projects, that is, in the consolidation of identified projects from pipeline into actual project approvals. This reflects a very prudent and judicious utilization of a scarce but very useful resource. The decentralization of the administration of PDF to the bureau level has proved to be a most effective modus operandi. The allocation of funds at the regional level has provided an equitable distribution of resources while allowing enough flexibility to respond to specific country needs with the speed required while maximizing the use of the Facility.

18. The increasing speed with which the funds have been utilized by the bureaux also points to the perceived need for the Facility. The last tranche of PDF2 was practically exhausted in three months, a considerable increase in speed from previous tranches that reflects the familiarization of both Headquarters and the field offices with the advantages of the Facility and its procedures. The current allocation of PDF is expected to be exhausted by June 1990.

19. The level of fifth cycle programming is likely to be above $4.5 billion. The level of pipeline of projects needed to sustain such a programme will be quite substantial. Assuming that the PDF2 multiplier remains constant, the requested $15 million for the fifth cycle should assist in the formulation of $700-800 million worth of pipeline projects. Together with the preparatory assistance mechanism, this will ensure a timely and effective build-up of the project pipeline for the fifth cycle.